ADOPTED
BIENNIAL
BUDGET

FISCAL YEARS
2024 - 26

SANTA MARIA
Smart City
Safe City

CITY OF SANTA MARIA, CA

BIENNIAL BUDGET

FISCAL YEARS 2024/25 – 2025/26

MAYOR
Alice Patino

MAYOR PRO TEM
Gloria Soto
District 3

COUNCILMEMBERS
Carlos Escobedo
District 1

Mike Cordero
District 2

Maribel Aguilera-Hernandez
District 4

INTERIM CITY MANAGER
Alex Posada

CITY TREASURER
Teressa Hall

CITY CLERK
Patti Rodriguez

INTERIM FINANCE DIRECTOR
Xenia Bradford

INTERIM ASSISTANT FINANCE DIRECTOR
Rick Kirkwood

DEPARTMENT DIRECTORS

CITY ATTORNEY'S OFFICE
Thomas T. Watson, City Attorney

COMMUNITY DEVELOPMENT
Dana Eady, Interim Director

FIRE
Bradley Dandridge, Fire Chief

LIBRARY
Dawn Jackson, Library Director

POLICE
Marc Schneider, Police Chief

PUBLIC WORKS
Brett Fulgoni, Director

RECREATION AND PARKS
Angela Oslund, Interim Director

UTILITIES
Shad Springer, Director

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Santa Maria
California

For the Biennium Beginning

July 01, 2022

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Santa Maria, California for its Budget beginning July 1, 2022.

To receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The City has received 13 consecutive two-year awards beginning in July 1998.

The City of Santa Maria is confident that the City's Fiscal Year 2024-2026 Biennial Budget continues to conform to program requirements. Accordingly, this budget document will be sent to the GFOA.

California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award
Fiscal Years 2022-2023 & 2023-2024

Presented to the

City of Santa Maria

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting.

February 10, 2023

Scott Catlett
2022 CSMFO President

James Russell-Field, Chair
Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

The California Society of Municipal Finance Officers (CSMFO) presented an Operating Budget Excellence Award to the City of Santa Maria, California for the City's Fiscal Year 2022-2023 and Fiscal Year 2023-2024 Budget. The City has received 13 consecutive two-year awards beginning in July 1998. The City of Santa Maria is confident that the City's Fiscal Year 2024-2026 Biennial Budget will continue to conform to award requirements. Accordingly, this budget document will be sent to the CSMFO.

TABLE OF CONTENTS

CITY STRUCTURE **1**
Government Structure 3
Mayor and City Council 3
City Boards and Commissions 4
City Departments 4
City Organizational Chart 5
Linking City Council Goals and Priorities for 2024-25 with Department Goals and Objectives 6
The City's Mission 7
Organizational Values 7
BUDGET MESSAGE **9**
BUDGET RESOLUTION **29**
COMMUNITY PROFILE **35**
Introduction 38
Accessibility and Community Mobility 47
GUIDE TO THE BUDGET **49**
Purpose of the Budget 51
Budget Process 52
Basis of Budgeting: Accounting Versus Budgetary Basis 56
Cost Accounting 58
Financial and Budget Policies 58
SIX-YEAR FINANCIAL PLANS **69**
Overview 71
Revenue and Expenditure Forecasting Methodology 71
General Assumptions 71
Enterprise Funds 72
General Fund Six-Year Financial Plan 73
Measure U Fund Six-Year Financial Plan 78
Water Enterprise Fund Financial Overview 80
Wastewater Enterprise Fund Financial Overview 82
Solid Waste Collections Enterprise Fund Financial Overview 84
Solid Waste Disposal Enterprise Fund Financial Overview 86
BUDGET OVERVIEW **89**
Overview 91
REVENUE OVERVIEW **105**
Revenue Projection Methods 107
Sources of Operating Revenue 107
Landscape Services, Mitigation, & Grant Funds 108
Capital Project Funds 109
Schedule of Revenues 110
EXPENDITURE OVERVIEW **115**
Citywide Overview 117
Expenditure Categories 117

Schedule of Expenditures 119
Fund Analysis 122
Interfund Transfers 126
FUND OVERVIEW 133
Budgetary Fund Balance 135
Major Funds 135
Funds Not Budgeted 135
Fund Structure 136
LONG-TERM DEBT OBLIGATIONS 143
Debt Types and Purpose 145
CAPITAL PROJECTS 147
Overview 149
Capital Financial & Budget Policies 149
CMEP Budget Overview 150
Recurring/Nonrecurring Capital Projects 151
Capital Projects List 151
PERSONNEL 171
Personnel Overview 173
Personnel Detail By Department 182
Measure U Position Detail By Department 204
DEPARTMENT BUDGET DETAIL 209
Overview 211
Public Safety: Police Department 213
Public Safety: Fire Department 221
Utilities Department 227
Public Works Department 243
Recreation and Parks Department 257
Library Department 269
Community Development Department 275
Mayor & Council 293
City Attorney's Office 295
City Manager's Office 299
Finance Department 309
GLOSSARY 315
Overview 317
Acronyms 317
Terminology 319
APPENDICES 335
Appendix A: Financial and Budget Policies A-1
Appendix B: Budgetary Accounting B-1
Appendix C: Use of Cost Accounting C-1
Appendix D: Revenue and Expenditure Trends D-1
Appendix E: Appropriation Limit History E-1

Appendix F: List of Funds F-1
Appendix G: Description of Funds G-1
Appendix H: List of Expenditure Categories H-1
Appendix I: Schematic List of Classes I-1
Appendix J: Summary of Employee Compensation and Benefits J-1
Appendix K: Financial Status Comparison K-1
Appendix L: Highlights of Recent Accomplishments L-1
Appendix M: Status of City-wide 2023-24 Goals M-1

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CITY STRUCTURE

City of Santa Maria

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GOVERNMENT STRUCTURE

The City of Santa Maria was incorporated on September 12, 1905, operating under the council-manager form of government. The City became a Charter City in December 2000, after the voters of Santa Maria approved a ballot measure in November 2000 to change from a General Law City. A Charter City can adopt laws different than the general State laws to meet the specific needs of the city. The operation of a city under a charter is often referred to as "home rule."

Beginning with the November 2018 election, voters participated in the first district-based election when two City Council seats were up for election. Voters may elect City Councilmembers only from those candidates who live in their district. The Mayor will continue to be elected at-large by all voters. In the 2018 election, the contests were in Districts 3 and 4, which are the southwest and southeast portions of the City, respectively. In the November 2020 election, the contests were in Districts 1 and 2, which are the northwest and northeast portions of the City, respectively, and all votes decided the Mayor's position. In early 2022, the City Council successfully completed the decennial redistricting process. In November 2022, the contests were again held in Districts 3 and 4. In November 2024, the contests will again be in Districts 1 (northwest)and 2 (northeast), with all voters Citywide deciding the Mayor's position.

The Mayor presides over the Council meetings and serves as the elected and ceremonial head of the City government. The City Council decided to continue its practice of governing with a City-wide perspective and adopted a Resolution for Governance describing how the City Council will continue to serve all the people of the City of Santa Maria. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and City Attorney.

MAYOR AND CITY COUNCIL

Gloria Soto
Councilmember
District 3

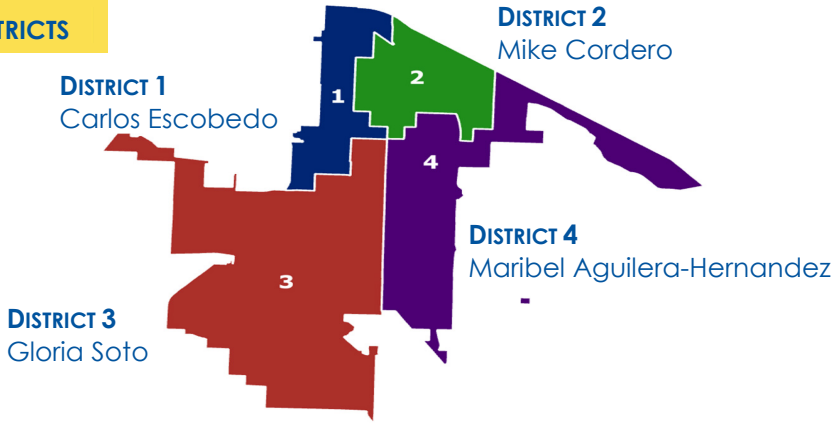
Maribel Aguilera-Hernandez
Councilmember
District 4

Alice Patino
Mayor
At-Large

Carlos Escobedo
Councilmember
District 1

Mike Cordero
Councilmember
District 2

CITY OF SANTA MARIA DISTRICTS



CITY BOARDS AND COMMISSIONS

City boards and commissions play a crucial role in the Santa Maria community. They are responsible for presenting choices that contribute to a smooth functioning City and help shape Santa Maria into the kind of community that the city's stakeholders want it to be. The boards and commissions may forward matters to the City Council if needed. Usually, the people appointed to these positions are residents of Santa Maria. This is the general rule set by the City Council, except when a specific advisory group doesn't require it. The Mayor is in charge of selecting members for the official City boards and commissions, and these choices need to be approved by the City Council. The following is a list of current City Boards and Commissions:

- Block Grants Advisory Committee
- Board of Appeals
- CDBG Advisory Committee
- Downtown Revitalization Committee
- Library Board of Trustees
- Measure U Citizens' Oversight Committee
- Planning Commission
- Recreation and Parks Commission
- Traffic Committee

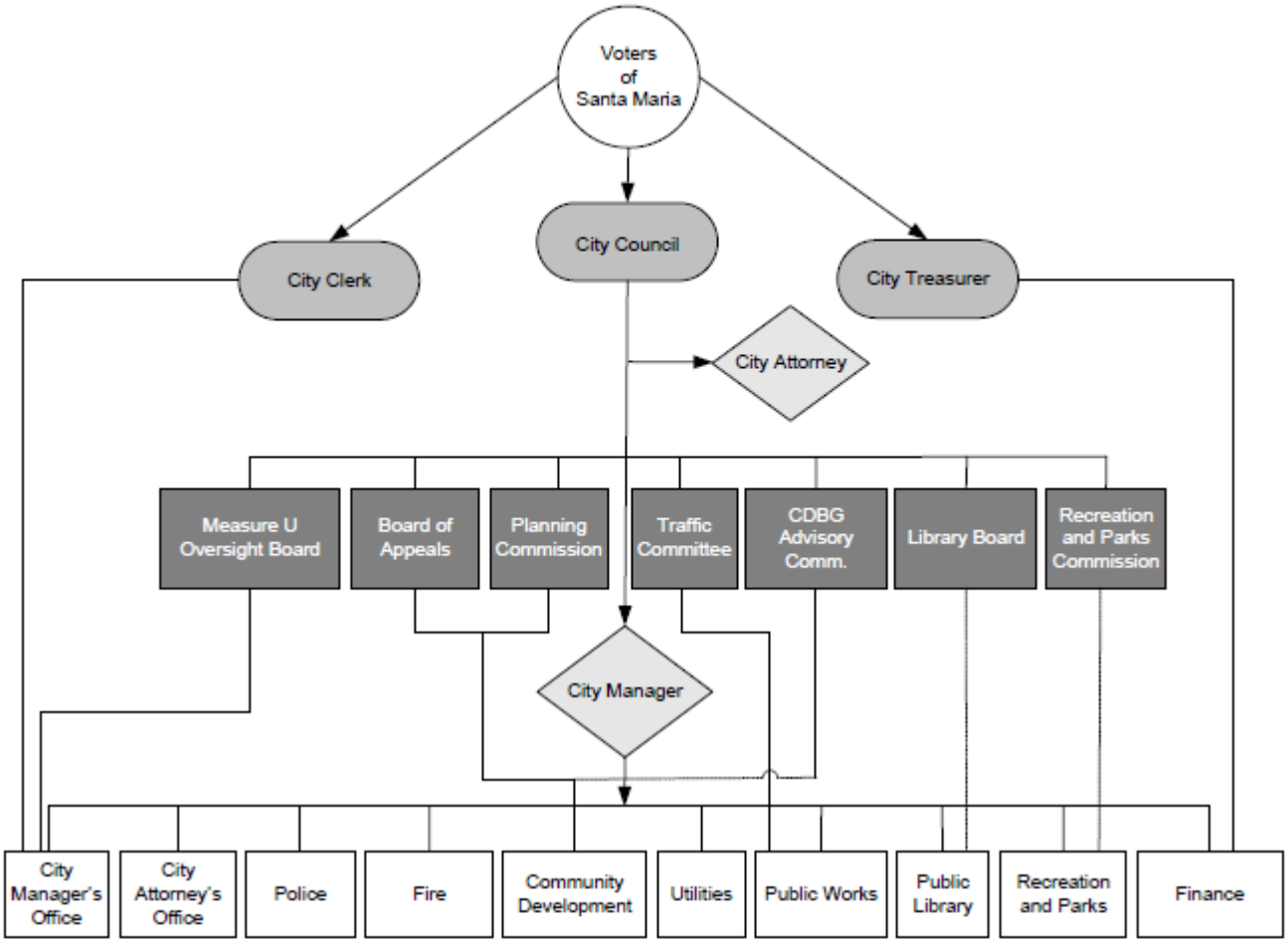
CITY DEPARTMENTS

The City Charter and Municipal Code provide the basis for the departmental structure of the City. The Charter establishes that the Offices of the City Attorney and City Manager be appointed by the City Council to manage the affairs of the City. The City Clerk is elected to a four-year term of office and serves primarily in a ceremonial capacity – responsible for administering oaths or affirmations and taking and certifying affidavits pertaining to City business. The City Treasurer is an elected officer identified in Government Code Section 87200 and files statements of economic interests with the City Clerk's office. The City's Municipal Code establishes the administrative organizational structure of the City under the control and direction of the City Manager. The City's uses of resources are budgeted in ten departments, including those of City leadership, appointed offices, and the administrative structure.

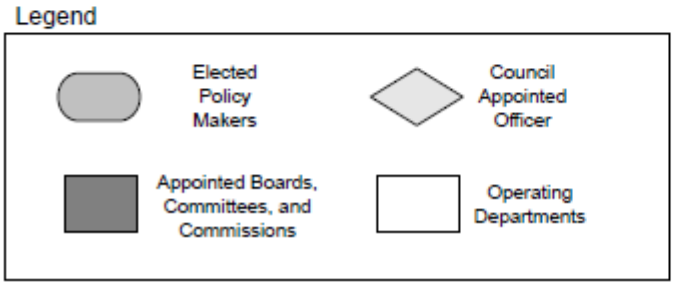
FULL-SERVICE CITY

The City of Santa Maria is considered a full-service city, meaning that all municipal services are provided by the City, as opposed to being contracted out to third-party providers. Some services commonly contracted out by municipalities include public safety and all utility services; however, these services are provided by the City of Santa Maria as a full-service city.

CITY ORGANIZATIONAL CHART



City Manager's Office:	Administration, Human Resources, Records/City Clerk, Information Technology, Communications
City Attorney:	Administration, Legal, Risk
Police:	Administration, Operations, Support
Fire:	Administration, Fire Operations & Training, Fire & Life Safety Prevention
Community Development:	Administration, Building, Planning, Community Services, Code Enforcement
Utilities:	Administration, Finance, Solid Waste, Water Resources
Public Works:	Administration, Engineering, Operations, Transit
Library:	Administration, Main Library, Branch Libraries
Recreation and Parks:	Administration, Recreation, Parks
Finance:	Administration, Finance, Revenue, Business License, Utility Billing



LINKING CITY COUNCIL GOALS AND PRIORITIES FOR 2024-25 WITH DEPARTMENT GOALS AND OBJECTIVES

This chart represents the City Council's four City-wide goals and objectives, and its four City-wide priorities, and links them with the departments responsible for carrying them out.

See each Department's section in the Budget book for full details about its goals and objectives.

City Council Goals

	City Attorney's Office	City Manager's Office	Community Development	Finance	Fire	Library	Police	Public Works	Recreation and Parks	Utilities Department
Long-term financial sustainability	*	*	*	*	*	*	*	*	*	*
Community quality of life	*	*	*	*		*	*	*	*	*
Planning and infrastructure	*		*	*	*	*	*	*	*	*
Organizational well-being		*		*	*	*	*	*	*	*

City Council Priorities

	City Attorney's Office	City Manager's Office	Community Development	Finance	Fire	Library	Police	Public Works	Recreation and Parks	Utilities Department
New approach to economic development	*	*	*	*		*	*	*	*	
Provide youth opportunities	*	*	*	*		*	*	*	*	
Provide public safety resources	*	*		*	*	*	*	*	*	*
Establish a staffing plan	*	*		*		*	*	*	*	*

THE CITY'S MISSION

The City of Santa Maria is committed to providing the highest quality service in the most efficient, cost-effective, and courteous manner possible.

ORGANIZATIONAL VALUES

TEAMWORK	We believe in the value of teamwork and a spirit of cooperative effort from all employee levels within the organization.
SERVICE	We are committed to providing excellent service to the public in the most responsive, efficient, and effective manner.
PEOPLE	We strive to treat all people with dignity, respect, and fairness. We believe that the employees of the City are our most valuable resource. Each employee's contribution is the key to our success.
COMMUNICATION	We believe in simplicity, accuracy, and clarity in communications with the public and each other. We encourage the open exchange of ideas and information among all employees.
INTEGRITY	We are dedicated to high ethical and moral standards and uncompromising honesty in our dealing with the public and each other.
FISCAL	We are committed to a financially responsible local government, one that is cost conscious and concerned about the effective and efficient delivery of services to the public.
PROFESSIONAL	We believe in high professional standards and attitudes which dictate an objective analysis of issues, free of our personal biases.
PROGRESSIVE	We value innovation and creativity and support an orientation for change and reasonable risk-taking at all levels of the organization.
RESPONSIVE	We strive to be a responsive City organization, dedicated to maintaining a well-trained and competent work force that is in touch with the needs of the community to enhance the quality of life in our city.

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BUDGET MESSAGE

City of Santa Maria

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Office of the City Manager
Alex Posada, Interim City Manager

June 18, 2024

FY 2024-2026 BUDGET

RECOMMENDATION:

It is recommended that the City Council receive and adopt the 2024-26 Proposed Budget document for the period July 1, 2024, through June 30, 2026.

INTRODUCTION:

I respectfully present the proposed two-year financial plan for fiscal years 2024-25 and 2025-26, which includes the Capital Improvement Plan for the same period. This document serves as a comprehensive statement of programs and policies, financial plans, and a guide for City operations. It reflects the many strategic goals, programs, and service priorities committed to by the City Council and City staff. The value of a two-year plan is the longer-term focus.

This comprehensive financial document presents historical information for previous years, current year activity, as well as a comparison of 2022-23 actual expenditures and revenues, the current 2023-24 adopted budget and current year-end estimated expenditures, and the financial plan for the next two-year period.

The format of this document is consistent with the guidelines set forth by the Government Finance Officers' Association (GFOA) and the California State Municipal Finance Officers' (CSMFO). This Budget Message primarily focuses on the 2024-25 budget year, with budget summary schedules, financial tables, and graphic presentations reflecting the proposed spending plan. By State law, the City must adopt a balanced budget by June 30th. A balanced budget means that total anticipated revenues, plus fund balance applied if applicable, must equal the sum of budgeted expenditures. Related priorities are contributions to outside agencies.

This two-year budget is very challenging with a huge shortfall in revenues, given the slowing growth of tax revenues and substantial expense increases in staff, salaries and benefits, exorbitant increases in insurance, inflation, and pensions to meet the needs of the growing community. Although General Fund revenues are projected to continue to grow at a steady pace, they are far outpaced by growth in expenses. This is unsustainable. The projected General Fund budget shortfalls are $21.3 million in 2024-25 and $20.2 million in 2025-26.

The budget for the first year is proposed with a heavy reliance upon three reserve funds - leaving them depleted (General Fund, Measure U, and Local Economic Augmentation Fund). Using these reserves will, in 2024-25, sustain operations and continue to provide the same level of services the community has come to expect

This is the 15th year of the structural budget imbalance, but the City has managed to effectively control expenses to bridge past deficits. However, in this two-year budget the projected gap has significantly worsened. The City services are overextended and cannot financially sustain current programs and services, without a significant increase in revenue. For 2025-26, the City must explore austerity measures. Future revenues will continue to be outpaced by operational costs and this requires careful long-term fiscal planning. Department Directors have been instructed to prepare recommended reductions in their departments in FY 2025-26 and will meet as a group with the Interim City Manager in July to discuss an action plan for FY 2024-26 while using the City Council's 2024-2026 goals as a guide.

The City Council's four goals for 2024-26 are:

- Long-term financial sustainability
- Community quality of life
- Planning and infrastructure
- Organizational well-being

To elaborate on the goals:

1. Establish long-term financial stability plans and the means for securing resources for valued community services.
2. Provide public safety, meet housing needs, develop the downtown, provide youth opportunities, and foster an overall high quality of life.
3. Provide for long-range planning and well-maintained infrastructure, including facilities, streets, parks, and utilities.
4. Provide for a clear mission and vision, the talent needed to deliver valued services, and the internal systems to support services and fiduciary responsibilities.

The City Council's four priorities for 2024-26 are:

- New approach to economic development
- Provide youth opportunities
- Provide public safety resources
- Establish a staffing plan

Those priorities were set at the City Council's goal-setting workshop on February 19, 2024, and by Resolution adopted on March 19th. A chart linking those priorities and department goals is on page 4 establishing the City goals and priorities for staff to work on during the upcoming two-year budget period. Plans and strategies to accomplish the City Council goals are provided within departmental narratives.

Long-term financial planning involves projecting revenues, expenses, and key factors that have a financial impact on the organization. Understanding long-term trends and potential risk factors that may impact overall financial sustainability allows decision-makers to proactively address these issues. This process encourages strategic thinking. Long-term planning includes meeting the City's obligations for retirement fund payments. These are explained within this Budget Message, including the chart of projected payments into fiscal year 2030-31. Other examples of long-range planning are explained in the Capital Maintenance and Equipment Projects, with several projects receiving funding beyond this budget. The forecasts are also provided for Enterprise Funds which align with infrastructure needs for City growth. The General Fund long-term forecast does not incorporate planning for deferred maintenance and population growth.

As the Santa Maria economy goes, so goes the City budget. Projected revenues are up. Total overall operating funds appropriations for 2024-25 are $291.4 million, up 14.5, or 5.2 percent, from 2023-24. Recommended 2024-25 General Fund appropriations (including Measure U) are $139.8 million, up $12.9 million, or 10.2 percent, from 2023-24.

This 2024-25 budget includes 732.40 full-time equivalents (FTE). The proposed budget indicates the addition of 4.8 positions in the General Fund, 5 positions in the Enterprise Fund, 1 position in Assessment Districts, 3 positions in Measure A, and 1 position in the Insurance Fund. This accounts for a total of 14.8 new FTEs. Additionally, the proposed budget indicates funding of 7 Police Officer positions, 1 Investigative Specialist position, and 1 Administrative Leader position previously authorized but unfunded. This accounts for a total of 9 funded FTEs.

Overall, the proposed budget reflects an increase of 47.40 FTE as compared to the 2023-24 adopted budget, which included 685.00 FTE. Of these 47.4 FTEs, 22 positions were added and another 6 positions

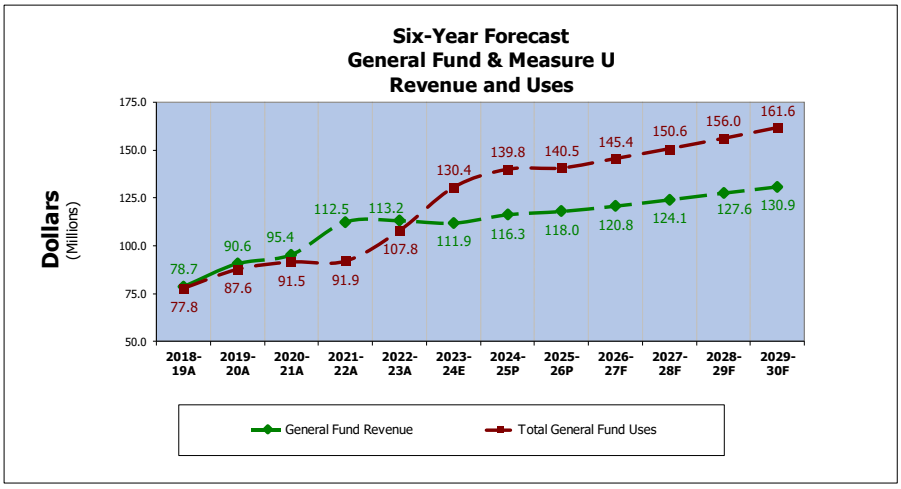
previously authorized but unfunded, were funded by the City Council during Quarter 1, Quarter 2, and the ERP reports provided during Council meetings. These 28 positions were offset by a decrease of 4.2 positions through reallocations of existing positions, resulting in 23.8 total new FTEs being enrolled in the FY24-26 budget, but are not considered "new" positions as they were approved prior to the proposed budget. The 2025-26 budget includes a 0.0 FTE increase as compared to 2024-25.

The City enters 2024-25 with a multi-million-dollar structural General Fund deficit where ongoing revenues exceed ongoing expenditures, and now also with a Measure U budget deficit. Expenditures are outpacing revenues.

The Measure U fund, a subset of the General Fund, is accounted for as a separate fund to satisfy the requirements of the City Council policy to appropriate 90 percent to public safety, 5 percent to youth, and 5 percent to quality of life and provide clear accounting for the Citizens Oversight Committee Review. Expenditures that can no longer be supported by Measure U revenues compared to Fiscal Year 2023-24, have been transferred to the General Fund in this final proposed budget presentation.

Overview of the 2024-26 General Fund (Including Measure U)		
	Proposed FY 2024-25	**Proposed FY 2025-26**
Appropriations	$ 139,848,861	$ 140,545,104
Revenues	118,528,588	120,306,714
Projected Deficit	**$ (21,320,273)**	**$ (20,238,390)**

The City Council's goal is to maintain City services. The City is incredibly fortunate to receive approximately $27 million in annual revenue from the enhanced one-cent local Measure U sales tax approved by voters in November 2018. This source maintains many services (and supports 137.60 Full-Time Equivalent positions, or 18.8 percent of the workforce) that the General Fund otherwise could not support.



The chart shows General Fund expenses are outpacing revenues. Revenues exclude operating transfers in of $10.6 million in FY 2024-25 and $2.3 million annually in FYs 2025-30.

PRIORITIES, CHALLENGES, AND ACTIONS:

What we do every day has a direct impact on the quality of life in Santa Maria. We work for the public. Our employees have a big impact on our City organization, and the community. It is their contributions, experience, dedication, productivity, cost-containment efforts, and entrepreneurial spirit, which collectively help to ensure the health, safety, and welfare of Santa Maria residents and businesses.

For many governments at all levels, expenses are growing much faster than revenues. Balancing budgets is increasingly challenging given the slow growth of tax revenues and substantial increases in regulations, costs of staff, services, contracts, insurance, and many other expenses. This is affecting cities, counties, and the State. Structural deficits are real.

The nearby City of Santa Barbara is facing a projected $7.1 million budget deficit, and that figure could be higher. Policymakers are looking to find new ways to bring in more money. Downtown parking revenues have been plunging since the pandemic. Other challenges are falling hotel bed taxes, increased salary and pension costs, and inflation. Its City Council in June chose to ask City voters to decide in November whether to increase the sales tax by one half-cent - from 8.75 percent to 9.25 percent — that could bring in an estimated $15.6 million a year toward public services and city maintenance.

Santa Barbara County voters in November will decide a measure to increase the transient occupancy tax (TOT) by 2 percent in the unincorporated areas of the County to 14 percent. The County's proposed budget states that TOT revenue has slowed in recent years and projects it to be flat at $17.7 million in 2024-25, which still represents an all-time high.

The County's proposed 2024-25 budget is an estimated $1.59 billion, a $100.3 million or 7.3 percent increase compared to 2023-24 operating budget. There are no service level reductions. General Fund revenue growth is projected to slow. Sales tax revenues are projected to be flat. A $6.6 million budget deficit in the General Fund is to be covered using a partial $10.7 million reserve to avoid reductions of mandated and essential services. Full-time equivalent (FTE) staffing requested is an increase of 119.1 FTEs which would increase overall County staffing to 4,763. Salary and benefit costs ($824.8 million) are the largest structural component of the County's budget, representing 53 percent of total operations. Salary costs are anticipated to increase by $28.7 million and include negotiated raises ranging from 2.5 to 7.5 percent. Healthcare costs are anticipated to increase by $8.7 million or 14.9 percent. The average cost per FTE (salary and benefits) is $170,300, according to the County. The County says that while revenue is anticipated to rebound in the future years, it will continue to be outpaced by growing operational costs and reliance on the remaining ongoing set aside as well as necessary careful long-term fiscal planning. The County presently has more than 600 vacant positions and may need to eliminate some to balance future budgets and evaluate whether all the vacant positions are needed.

The State budget faces ongoing weakness and as of mid-May is estimated to reach a deficit of $56 billion over the next two fiscal years. The State's proposed budget as of May identifies a larger gap than expected between projected and annual revenues compared to the Governor's January budget proposal. The governor's proposal relies on dipping into reserve accounts and making big cuts. In 2023, the budget had a record surplus of about $100 billion. For 2024-25 the governor projects the deficit at $27.6 billion and another projected $28.4 billion in 2025-26.

State tax revenues are falling below expectations. Over several decades, the State has become dependent on personal income taxes to finance its budget, especially taxes on high-income taxpayers and their investment earnings. As that dependency increased, the state would experience massive windfalls during some years and deep revenue declines in others. When the treasury was flush, governors and legislators would increase spending, and when revenues declined, they would face multi-billion-dollar deficits.

At the Federal level, President Biden sent his $7.3 trillion budget to Capitol Hill in March 2024. The new Federal fiscal year begins October 1st. The deficit totals $1.6 trillion in fiscal year 2024, grows to $1.8 trillion in 2025, and then returns to $1.6 trillion by 2027, according to the Congressional Budget Office.

Here at the City, familiar funding challenges persist, starting with ever-spiraling California Public Employees' Retirement System (CalPERS) payment obligations, increases in personnel compensation, inflation, and rising costs for infrastructure maintenance and contracts.

POLICY, ECONOMIC, AND/OR LEGISLATIVE ISSUES:

City operations are impacted by many County, State, and Federal issues and policies, including but not limited to increases in Workers' Compensation and Liability Insurance premiums, housing mandates, water restrictions, increasing costs for contracts including the County seeking full cost recovery, and pensions. The City is taking actions highlighted here and elaborated upon in the departmental budget narratives.

- We are faced with an insurmountable insurance issue primarily by forces well beyond control of the City. The premium increases for property, workers compensation, and liability are 49

percent – with an additional 49 percent next year. That has driven our insurance premiums from $7.7 million to $10.4 million this year. This trend, unfortunately, will continue. Staff recommends the City Council establish a $1.75 million reserve fund. The City is trying to reduce insurance costs through risk management. This budget also recommends the addition of one position in the City Attorney's Office, that of an assistant risk manager.

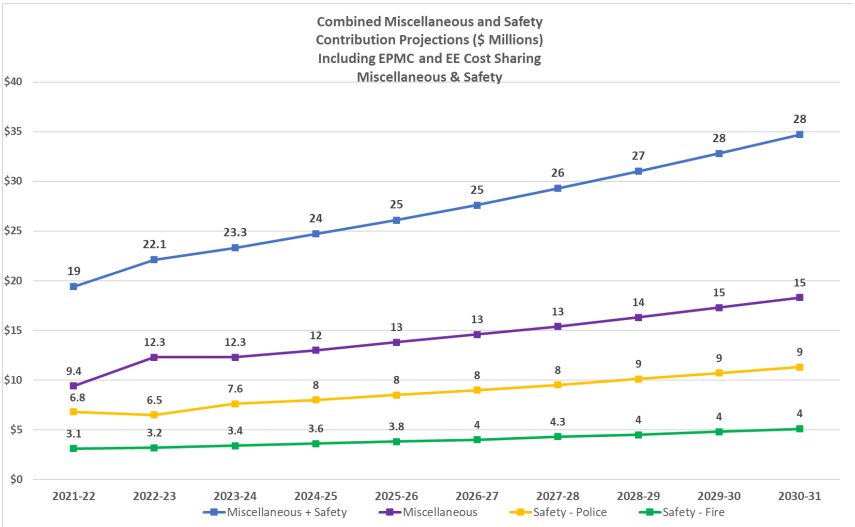
- For economic development, the City will conduct an overall assessment and evaluation of economic development and tourism needs, with review and recommendations by an outside consultant, and with input from stakeholders. This effort will begin at the start of 2024-25. During this time, the City will move to short-term contracts with the Chamber of Commerce.
- To comply with State directives to reduce outdoor watering, the Utilities, Public Works, and Recreation and Parks Departments' budgets include various initiatives. One project that is underway, and will be completed this year, is replacing turf around City Hall with a low-water garden.
- The Police Department's training program's budget is increased by $50,000 per year to maintain the department's ability to meet regularly scheduled and mandated training needs. This is reimbursable by POST. Training needs have grown within the department with additional mandates for sworn staff.
- The Santa Maria Fire Department, along with all Santa Barbara County fire agencies, entered into a Cooperative Dispatch Agreement in 2021. Additional funding of $565,000 in 2024-26 is requested to ensure continuous dispatch service to the Fire Department.
- To ensure adequate funding for new, required professional services related to water operations, $585,000 is requested by the Utilities Department to fund technical support to operate and maintain the system, perform meter testing for water loss monitoring as required by State regulations, perform EPA-required lead service line inventory and reporting, and conduct a feasibility study related to chemicals used at the blending/disinfection facility.
- A November 2024 ballot measure would make State and local tax increases markedly more difficult to enact. If passed, the measure would require two-thirds votes for any local tax increase, effectively overturning a State Supreme Court ruling that local taxes proposed via initiative require only simple majority votes. Governor Gavin Newsom and the Legislature filed a legal challenge that could remove the measure from the ballot. In May, the State Supreme Court heard arguments. The Santa Maria City Council unanimously voted to oppose the ballot measure.
- The State faces a monumental budget deficit in part because the State committed portions of a supposed surplus that never materialized. The fiscal reality may result in cuts to many State programs. Despite threatened cuts to homelessness and health care funding, voters narrowly approved in March 2024 of a $6.38 billion State bond ballot measure to build 4,350 housing units for the homeless, and the County budget commits $35 million to providing housing and services to those experiencing homelessness, including the 94-unit Hope Village in Santa Maria. Fiscal Year 2023 saw more than $600,000 in City staff time and contract expenditures on cleaning up blight responding to illegal activities, and medical calls, all contributed to the unhoused population within the City. About eight percent of the money used in 2023-24 came from one-time ARPA funding that will not be available in future years. City staff also spent considerable time coordinating with County staff on encampment clean-ups and broader activities related to homelessness.
- Workplace health and safety are a top priority for the City. This budget sustains safety positions to maintain the City's coordinated and proactive approach to managing workplace safety and health.

  Departments continue to face staffing challenges related to recruiting and retaining qualified staff. High turnover and staffing shortages affect the City's ability to maintain the continuity of operations; transfer and retain institutional knowledge; and development and growth of future leadership from within the organization.

- Top-down housing mandates from the State continue to compel the 482 cities to plan for more affordable housing and in higher densities, disregarding local government decision-making and community involvement in the planning process. The City is committed to identifying sites for more housing through its Housing Element that was approved by the State this year, and through its General Plan update.
- Like other CalPERS agencies, the City continues to experience ongoing CalPERS cost obligations. The City projects a $5.4 million increase in its CalPERS contributions over the next eight years. The City's annual payments are $27.1 million for 2024-25, and $28.1 million for 2025-26. The City's CalPERS payment for 2011-12 was $10.4 million and in 2012-13 it was $9.5 million. The City's pension system continues to be underfunded as of the latest valuation dated June 30, 2022. The total outstanding unfunded pension liability was $189 million. The City is required to pay down the unfunded pension liability. CalPERS requires minimum payments to be made toward the unfunded liability per year. The required payments will continue to rise through approximately 2031-32 based on the current actuarial valuations.

The City budget is impacted significantly by contribution changes imposed by CalPERS resulting in annually increasing contributions. CalPERS contributions have been increasing annually but beginning in 2013 the rate of the increase has grown substantially due to policy changes imposed by the CalPERS governing board. All CalPERS' member agencies combined – cities, school and special districts, the State – paid a total of $24.2 billion to CalPERS in 2023. Public workers contributed $5.7 billion.

The City has so far managed the costs of its rising pension by cutting operational budgets, holding vacancies to achieve salary savings, and phasing in pension reforms resulting in three tiers of retirement benefits for employees based on their hire date. The City Council has a policy to deposit any year-end fund balance, when General Fund revenues exceed expenditures, equally into its Local Economic Augmentation Fund (LEAF) reserve, capital projects fund, and pension reserves. These steps to address the pension issue are not sustainable, new strategies will need to be developed immediately.



The above chart illustrates projected annual City payments to CalPERS for its employee groups.

The City has undertaken pension reform to address its CalPERS obligations. The City has three tiers of employees based on hire date: Tier I is before July 1, 2011; Tier II hires after July 1, 2011, and public employment before January 1, 2013; and Tier III hires (PEPRA) with California public employment begun after January 1, 2013. Back in early 2011, the City engaged in pension reform measures with its employee groups requiring all new employees (Tier II) to pay the employees' share of pension expenses (which represents either seven percent [for miscellaneous members] or nine percent [for safety members] of their salary). Tier III (PEPRA) employees pay a higher percentage of their pension expenses. The percentage of Tier I City employees is now approximately 30 percent, which is a significant employment shift. Tier II represents 9 percent of the workforce, and Tier III is 61 percent.

CalPERS Tier I rates are expected to increase over the next few years as follows:

CalPERS Tier I Rates			
	Misc.	Police	Fire
2022-23	36.10%	76.85%	63.93%
2023-24	36.71%	78.24%	65.90%
2024-25	39.50%	86.37%	72.52%
2025-26	39.27%	89.20%	74.85%

CalPERS Tier II rates are expected to increase over the next few years as follows:

CalPERS Tier II Rates			
	Misc.	Police	Fire
2022-23	36.94%	21.41%	25.23%
2023-24	37.48%	22.83%	26.28%
2024-25	40.29%	24.08%	28.19%
2025-26	40.08%	24.72%	29.27%

CalPERS Tier III rates are expected to increase over the next few years as follows:

CalPERS Tier III Rates			
	Misc.	Police	Fire
2022-23	36.94%	13.90%	14.59%
2023-24	37.48%	14.00%	14.53%
2024-25	40.29%	14.62%	16.10%
2025-26	40.08%	15.22%	19.96%

As of March 2024, new two-year contract agreements were reached with three bargaining units. There is a base salary increase of 5.0 percent as of January 2024 and another 5.0 percent increase as of January 2025 for SEIU Local 620, the Non-Represented Management and Confidential Employees, and the Public Safety Managers. As of this writing, a new contract had not been reached with the Fire Fighters' Local Union 2020. Overall, any increase in pensionable compensation to employees factors into future CalPERS costs.

As in prior years, personnel costs remain the largest component of the City's operating expenditure budget for 2024-26, accounting for $257.4 million, or 44.2 percent, associated with salaries and benefits. The breakdown by year is $125.3 million in 2024-25 and $132.0 million in 2025-26.

Further, Santa Maria will complete its General Plan update soon - the blueprint to add another 50,000 residents and where to locate new housing and businesses. Conversations continue among City and County executives toward a Memorandum of Agreement for future City annexation/growth. A City consultant continues to analyze land use.

Even though the City continues to face funding challenges, the are many accomplishment that better the lives of all our residents, some of these Highlights include the launching of our Smart City, Safe City initiative including its website and numerous videos; purchasing a 19-acre property for the long-awaited sports complex at the corner of Depot Street and Battles Road (construction is to begin this year); expanded use of the Automated License Plate Readers system; and additional highlights are contained in **Appendix L**.

To mitigate both the financial effects of the pandemic as well as stimulate economic recovery, the American Rescue Plan Act (ARPA) was signed into law in March 2021, providing $37.2 million to the City. The City must spend or encumber all remaining ARPA grant funds by December 31, 2024. No ARPA funds are applied to positions in 2024-26.

The City Council's direction is to use ARPA funds to:

1. Reimburse costs incurred and revenue lost as a result of COVID-19.

2. Invest this one-time funding in projects that can be completed in the required timeline and increase ongoing revenues or reduce ongoing costs.
3. Strengthen the City's financial position to prepare for future fiscal emergencies.

OVERVIEW OF THE PROPOSED 2024-25 BUDGET FOR ALL OPERATING FUNDS:

Total revenues anticipated for all operating programs in 2024-25 are estimated to be $267.6 million, or $25.3 million more than in 2023-24. This represents a 10.5 percent increase as illustrated below.

OVERVIEW OF 2024-25 ESTIMATED REVENUES FOR OPERATING FUNDS

	Adopted 2023-24	Proposed 2024-25	Increase (Decrease)	Percent Increase (Decrease)	Percent Of Total 2024-25
REVENUE CATEGORY					
Taxes	$ 94,980,459	$ 95,426,552	$ 446,093	0.5%	35.7%
Licenses, Permits & Fines	3,623,334	3,695,334	72,000	2.0%	1.4%
Revenue from Use of Money & Property	3,247,825	3,247,825	-	0.0%	1.2%
Revenue from Other Agencies	10,886,688	11,165,050	278,362	2.6%	4.2%
Charges for Services	6,951,745	8,151,687	1,199,942	17.3%	3.0%
Other Revenues and Transfers	13,007,827	21,625,866	8,618,039	66.3%	8.1%
Enterprise Fund Revenues	109,523,134	124,257,857	14,734,723	13.5%	46.4%
Total Revenues	**$ 242,221,012**	**$ 267,570,171**	**$ 25,349,159**	**10.5%**	**100.0%**

Tax revenues are expected to increase by 0.5 percent, due to forecasted increases in sales taxes, which comprise 61.2 percent of General Fund revenues (including Measure U), and increases property taxes, which comprise 27.8 percent of General Fund revenues. This year (2024-25), the planned Local Economic Augmentation Fund (LEAF) transfers are set at $8.3 million. The City has been drawing from its LEAF since 2008-09, and periodically depositing funds to replenish and build this reserve. In 2025-26 another $2.3 million will be drawn.

OVERVIEW OF 2024-25 PROPOSED BUDGET FOR OPERATING FUNDS

	Adopted 2023-24	Proposed 2024-25	Increase (Decrease)	Percent Increase (Decrease)	Percent Of Total 2024-25
EXPENDITURE CATEGORY					
Operating Programs	$ 185,821,257	$ 203,882,342	$ 18,061,085	9.7%	70.0%
Capital & Outside Agencies	76,247,459	65,724,856	$ (10,522,603)	-13.8%	22.6%
Debt Service	3,890,262	3,889,012	(1,250)	0.0%	1.3%
Transfers	10,972,118	17,918,093	6,945,975	63.3%	6.1%
Total Expenditures	**$ 276,931,096**	**$ 291,414,303**	**$ 14,483,207**	**5.2%**	**100.0%**

The proposed appropriations for all operating funds in 2024-25 are approximately $291.4 million, which is an increase of 5.2 percent from 2023-24.

GENERAL FUND OVERVIEW:

The City's top four General Fund revenue sources are projected to increase in the next two fiscal years, as explained in the Key Revenue Assumptions. For Santa Maria, the City's General Fund operating revenue consists primarily of sales and property taxes. These two revenue sources generate 58.3

percent of the total General Fund (66.9 percent when including Measure U) revenues. Economic factors can contribute to wide swings in these revenues sources as evidenced by the Great Recession.

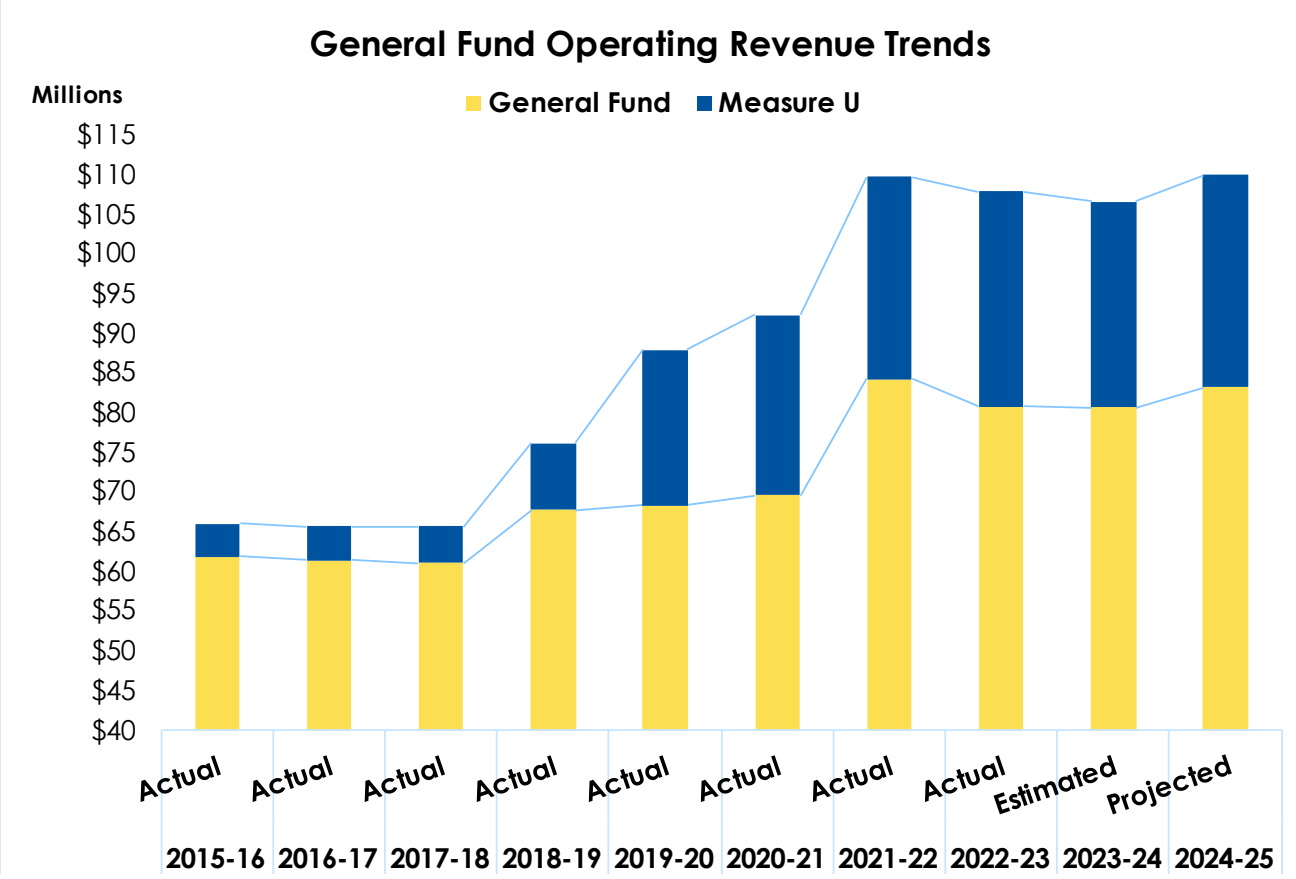
Sales tax is by far the General Fund's largest revenue source (about 46.0 percent including the local Measure U sales tax add-on), therefore, vitally important to the City's future. This source is volatile. The City receives one percent (also known as Bradley Burns portion) of the 8.75 percent sales tax collected from retail sales occurring within the City limits. The State collects and remits the sales tax to the following benefiting agencies: 5.75 percent to the State for the General Fund and various programs, 2.00 percent to the City's General Fund (one percent General Fund and 1.00 percent Measure U), one-half percent to the Local Public Safety Fund, one-half percent for local and regional transportation purposes (Measure A) for a total sales tax rate of 8.75 percent.

Property tax represents approximately 20.9 percent of General Fund revenues. For 2024-25 this revenue source is projected at $26.5 million, and $27.0 million for 2025-26. Proposition 13, approved by voters Statewide in June 1978, limits general-purpose property taxes to one percent of market value and limited the growth of property tax assessments to two percent growth per year. Assessments are increased to reflect current market value when property ownership changes or improvements are made to the property; otherwise, assessed values are limited to an annual two percent increase.

Receipts from Transient Occupancy Tax (TOT) or otherwise known as Bed Tax, represent about 3.4 percent of General Fund revenues. The Municipal Code prescribes that the City allocate a certain percentage of TOT receipts to certain uses unless otherwise determined by the City Council.

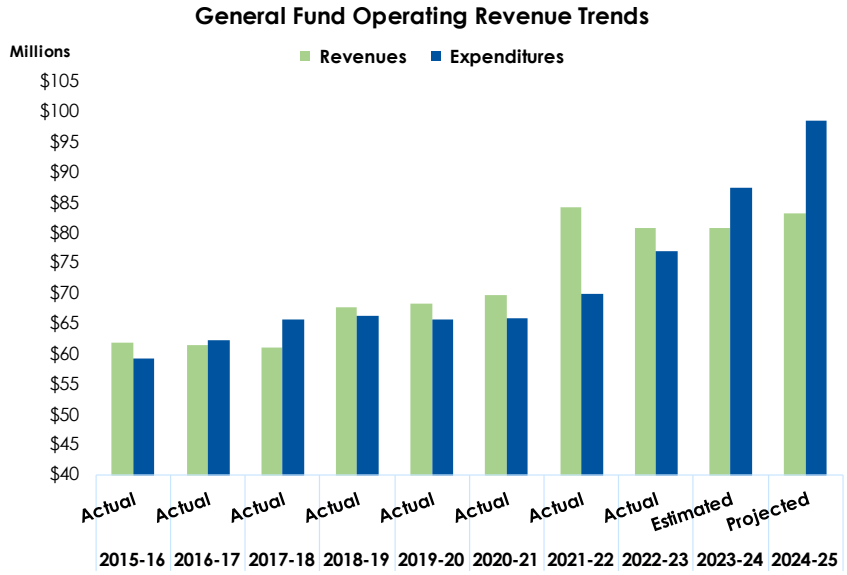
Construction permit revenues are projected to account for 2.5 percent of General Fund revenues.

In all, total General Fund operating revenues (total revenues minus transfers-in) are now at $83.2 million, with $26.7 million from Measure U, for a total of $109.9 million for 2024-25 as displayed in the following chart:



The blue color in the above chart depicts the Measure U revenue that the City started to receive in 2012-13. Starting in 2019, Measure U increased from a quarter-cent to a one-cent tax.

Below is a chart displaying the historical General Fund (excluding Measure U) operating revenues and expenditures. Expenditures are outpacing operational revenues.



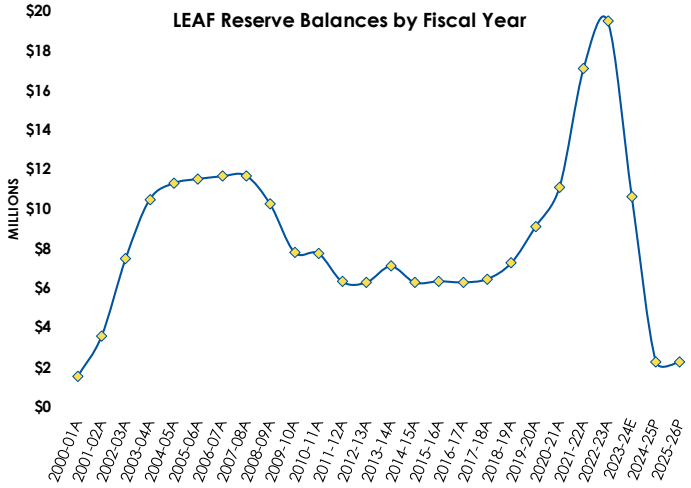
PROPOSE 2024-26 BUDGETS:

General Fund

Under the City's budgeting procedures, appropriation projections for staffing costs are based on all positions being filled throughout the year. Cost projections for major supply purchases and service contracts are also projected on a similar basis. In recent years, however, personnel vacancies resulted in salary savings, resulting in *expenditure savings*. Dating back 10 years, the General Fund has averaged an annual expenditure savings of approximately 3 percent in its appropriations authority, with current expenditure savings rates running 8.6 percent, the highest in a decade due to the tight labor market.

While the above concept of using expenditure savings as a mechanism to help bridge the financial gap in the General Fund is common in other municipalities, it does come with risks, especially given the fact that there is an accumulating structural deficit in the General Fund and Measure U Fund of $16.9 million and $4.4 million, respectively and overall revenues are not sustaining the ever-increasing operational expenses.

Staff is proposing to use $8.3 million in LEAF financing over the next fiscal year to bridge this financial gap in the General Fund. At that point, the LEAF Fund Balance will stand at a projected $2.3 million as depicted in the following chart.



SUMMARY OF KEY GENERAL FUND REVENUES					
	Adopted 2023-24	Proposed 2024-25	Increase (Decrease)	Percent Increase (Decrease)	Percent Of Total 2024-25
REVENUE CATEGORY					
Sales Tax	$ 32,187,866	$ 31,872,153	$ (315,713)	-1.0%	25.2%
Measure U Transaction & Use Tax	26,715,000	26,544,951	(170,049)	-0.6%	20.9%
Property Tax	25,695,677	26,498,432	802,755	3.1%	20.9%
Hotel/Bed Tax	4,273,426	4,273,426	-	0.0%	3.4%
Construction Permits	3,070,974	3,149,974	79,000	2.6%	2.5%
Total Key Revenues	91,942,943	92,338,936	395,993	0.4%	72.9%
Other Revenues	25,779,499	34,525,920	8,746,421	33.9%	27.1%
Total Revenues	**$ 117,722,442**	**$ 126,864,856**	**$ 9,142,414**	**7.8%**	**100.0%**

Proposed General Fund revenues are a record $126.9 million. The projections for 2024-25 were estimated using 2023-24 projected receipts as the basis and then taking into consideration anticipated changes in the local economy. Overall, General Fund revenues are anticipated to be $9.1 million more in 2024-25 when compared to the 2023-24 Budget. The table above shows the top revenue sources and includes the transfer-in of $8.3 million from LEAF for 2024-25 under the category *Other Revenue*.

OVERVIEW OF 2024-25 GENERAL FUND PROPOSED APPROPRIATIONS					
	Adopted 2023-24	Proposed 2024-25	Increase (Decrease)	Percent Increase (Decrease)	Percent Of Total 2024-25
EXPENDITURE CATEGORY					
Operating Programs	$ 113,501,461	$ 125,804,748	$ 12,303,287	10.8%	90.0%
Capital & Outside Agencies	7,642,263	2,404,040	(5,238,223)	-68.5%	1.7%
Debt Service	266,912	266,912	-	0.0%	0.2%
Transfers	5,515,081	11,373,161	5,858,080	106.2%	8.1%
Total Expenditures	**$ 126,925,717**	**$ 139,848,861**	**$ 12,923,144**	**10.2%**	**100.0%**

Proposed 2024-25 appropriations for the General Fund are a record $139.8 million. This represents an increase of 10.2 percent or approximately $12.9 million more than in 2023-24.

The General Fund expenditure plan for 2024-25 was based on current year allocations (2023-24) plus associated merit increases, negotiated salary increases, pension-related increases, increased cost allocations for the Liability, Fleet, and Equipment Internal Service Funds, as well as a modest increase in contracts.

Total appropriations by department are shown in the below chart:

OVERVIEW OF 2024-25 PROPOSED APPROPRIATIONS BY DEPARTMENT					
	Adopted 2023-24	Proposed 2024-25	Increase (Decrease)	Percent Increase (Decrease)	Percent Of Total 2024-25
DEPARTMENT					
Mayor & Council	$ 206,907	$ 210,716	$ 3,809	1.8%	0.2%
City Attorney	1,365,659	1,816,866	451,207	33.0%	1.3%
City Manager	9,392,287	13,061,241	3,668,954	39.1%	9.3%
Finance	8,322,159	15,206,421	6,884,262	82.7%	10.9%

Community Development	7,584,433	6,911,453	(672,980)	-8.9%	4.9%
Recreation & Parks	15,997,117	16,063,604	66,487	0.4%	11.5%
Fire	28,925,675	25,708,413	(3,217,262)	-11.1%	18.4%
Police	49,070,077	54,462,616	5,392,539	11.0%	38.9%
Public Works	4,873,576	5,392,822	519,246	10.7%	3.9%
Library (Measure U)	1,187,827	1,014,709	(173,118)	-14.6%	0.7%
Total Expenditures	**$ 126,925,717**	**$ 139,848,861**	**$ 12,923,144**	**10.2%**	**100.0%**

Proposed appropriations in all departments include anticipated merit increases, negotiated salary, and benefit increases, as well as increased pension-related expenses. In addition to these increases, some of the other more noteworthy variances in the above table are described in the Personnel Section, with the staffing level impacts of these changes described in the Department budgets.

Overview of 2024-25 Measure U

Measure U is a one-cent local transactions and use tax. City voters initially approved Measure U in the June 2012 election (63.95 percent support), enacting a one-quarter-cent tax. More recently, voters in the November 2018 election (with a 74.18 percent majority) extended and enhanced Measure U at the one-cent rate.

The City Council authorized that 90 percent majority of the aforementioned tax proceeds be spent on public safety-related services, then five percent on youth services, and five percent on programs for quality of life.

MEASURE U BY CATEGORY				
	Public Safety	**Youth Services**	**Quality of Life**	**Total Proposed 2024-25**
DEPARTMENT				
Police	$ 12,835,790	$ -	$ -	$ 12,835,790
Fire	11,945,878	-	-	11,945,878
Recreation & Parks	1,940,905	846,550	283,857	3,071,312
Library	192,695	642,581	179,433	1,014,709
Community Development	-	-	824,287	824,287
City Manager	38,841	-	196,379	235,220
Finance	2,757	-	-	2,757
Total Operating	**$ 26,956,866**	**$ 1,489,131**	**$ 1,483,956**	**$ 29,929,953**
	90%	**5%**	**5%**	**100%**
City Manager Capital	-	-	1,200,000	1,200,000
Total Expenditures	**$ 26,956,866**	**$ 1,489,131**	**$ 2,683,956**	**$ 31,129,953**

Because Measure U only has one revenue source that is impacted by the health of the economy, and is allocated primarily to fund ongoing staffing, it is imperative to maintain a healthy reserve in the event of an economic downturn. There is no allowance for additional uses of Measure U tax proceeds other than what has already been authorized by City Council. Coupled with slowing growth in sales tax, and the fact that the same number of personnel and services are now costing more, Measure U will not be able to sustain the same level of service.

MEASURE U FUND ANALYSIS			
	Actual 2022-23	Year-End Estimated 2023-24	Proposed 2024-25
RESOURCES			
Beginning Fund Balance	$ 18,782,987	$ 17,105,068	$ 4,413,648
Revenue	25,787,354	25,881,016	26,716,305
Total Resources	$ 44,570,341	$ 42,986,084	$ 31,129,953
USES			
Police	$ 11,639,340	$ 13,099,227	$ 12,835,790
Fire	11,337,050	19,405,145	11,945,878
Recreation & Parks	3,081,760	3,692,329	3,071,312
Library	826,690	1,220,550	1,014,709
Community Development	418,140	963,250	824,287
City Attorney	142,532	-	-
City Manager	19,761	189,335	1,435,220
Finance	-	2,600	2,757
Total Uses	$ 27,465,273	$ 38,572,436	$ 31,129,953
Ending Fund Balance	**$ 17,105,068**	**$ 4,413,648**	**$ -**

Enterprise Funds

Water Resources

Overall, total appropriations in the Water Resources Budget are decreasing by $11.5 million in 2024-25. The primary reason appropriations are increasing can be attributed to decreased capital expenditures. A complete analysis of the Water Resources Fund as well as an analysis of the State Water cost obligations can be found in the Utilities Department narrative

The following table summarizes the proposed Water Resources budget for 2024-25:

Water Resources					
	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Proposed FY 2024-25	Proposed FY 2025-26
002 – WATER FUND					
Salaries & Benefits	$ 1,677,258	$ 3,342,698	$ 3,924,522	$ 4,942,566	$ 5,236,455
Services & Supplies	5,680,398	6,259,255	7,111,776	7,357,561	7,084,071
Capital & Outside Agencies	4,443,808	19,170,322	35,421,500	32,177,060	35,228,160
Debt Service	4,586,373	1,377,925	3,623,350	3,622,100	3,625,600
Transfers	588,812	721,182	990,852	1,133,873	1,133,873
Total Water Fund	**$ 16,976,649**	**$30,871,382**	**$ 51,072,000**	**$ 49,233,160**	**$ 52,308,159**
004 – WASTEWATER FUND					
Salaries & Benefits	$ 887,120	$ 4,180,020	$3,380,184	$ 4,297,016	$ 4,539,440
Services & Supplies	3,620,405	4,316,565	5,116,754	5,119,467	5,079,477
Capital & Outside Agencies	624,774	2,536,062	14,724,170	4,248,140	14,028,480
Transfers	300,167	434,306	489,230	431,214	431,214
Total Wastewater Fund	**$ 5,432,466**	**$ 11,466,953**	**$ 23,710,338**	**$ 14,095,837**	**$ 24,078,611**
Total Water Resources	**$ 22,409,115**	**$ 42,338,335**	**$ 74,782,338**	**$ 63,328,997**	**$ 76,386,770**

Solid Waste

The Solid Waste budget is increasing by 40.4 percent to $53.8 million in 2024-25.
Budgeted expenses are higher than previous actual expenses due to significant capital fleet purchases, including two automated side-loading vehicles, one front-loading vehicle, one electric side-loading vehicle. These are in addition to increases in O&M expenses related to regulatory requirements, salary and benefits, and unfunded pension liability.
The following table summarizes the Solid Waste Budget for 2024-25:

Solid Waste	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Proposed FY 2024-25	Proposed FY 2025-26
003 – SOLID WASTE COLLECTION FUND					
Salaries & Benefits	$ 4,378,720	$ 2,528,143	$ 4,869,153	$ 5.373.013	$ 5,688,881
Services & Supplies	11,725,190	13,647,822	15,079,806	15,416,828	15,336,131
Capital & Outside Agencies	358,869	486,469	2,880,000	1,258,400	1,198,820
Transfers	384,922	589,193	689,717	660,978	660,978
Total Solid Waste Collection Fund	**$ 16,847,702**	**$ 17,251,627**	**$ 23,518,676**	**$ 22,709,219**	**$ 22,884,810**
010 – SOLID WASTE DISPOSAL FUND					
Salaries & Benefits	$ 2,536,741	$ 3,821,207	$ 3,808,653	$ 4,138,722	$ 4,345,771
Services & Supplies	9,346,250	14,219,749q	9,723,816	9,567,915	9,590,702
Capital & Outside Agencies	7,323,804	478,005	675,000	16,744,680	-
Transfers	382,643	507,524	585,324	637,446	637,446
Total Solid Waste Disposal Fund	**$ 19,589,438**	**$ 19,026,485**	**$ 14,792,793**	**$ 31,088,763**	**$ 14,573,919**
Total Solid Waste	**$ 36,437,140**	**$ 36,278,112**	**$ 38,311,469**	**$ 53,796,150**	**$ 37,467,782**

Transit Budget

The Santa Maria Regional Transit (SMRT) system provides local and regional public transportation services, as mandated under State and Federal regulations, for the transit needs of the Santa Maria urban area. For 2024-25, the City proposes $15.6 million in appropriations, approximately $3.4 million less than in 2023-24. The division proposes to complete its initiative to replace numerous buses with an all-electric fleet. The following chart summarizes the proposed Transit budget:

Measure A, SB-1, and Gas Tax

In November 2008, voters in the County approved Measure A, the half-cent sales tax dedicated to streets maintenance and transportation system improvement projects. Measure A is the reauthorization of Measure D, which was the original half-cent sales tax measure previously approved by the voters in 1989.
California's cities, counties, and transportation agencies face a statewide backlog to make transportation infrastructure improvements. The "Road Repair and Accountability Act" (SB 1 – Beall) passed by the State Legislature and signed by the Governor in 2017, will raise an estimated $5 billion annually in long-term, dedicated transportation funding to make road safety improvements, fill potholes, and repair local streets, highways, bridges, and overpasses, with the revenues split equally between State and local government projects.

Library

Library funding remains steady, and like all other personnel-centric functions, expenditures are increasing faster than revenues requiring the General Fund to provide additional support for library services. An additional risk for Library funding is the unsettled nature of County funding for countywide library services. Total appropriations are expected to increase from $5.68 million in 2023-24 to $6.53 million in 2024-25.

Capital Funds:

In all, the proposed Capital Projects Budget for 2024-26 consists of 64 capital projects representing approximately $115.9 million in appropriations. In all, 169 total projects were requested by operating

departments, totaling $148.9 million; however, 105 projects (representing approximately $33.0 million) were not funded.

The 2024-26 Budget reflects $62.2 million in projects in the first year and $53.6 million in the second year. For comparison purposes, the 2022-24 Budget consisted of 151 capital projects totaling $104.7 million in appropriations.

It should be noted that 8 General Fund projects were not funded due to funding limitations. This is $2.5 million in the first two years of this budget.

Most capital projects proposed for 2024-26 - about 93.4 percent - are financed from non-General Fund sources. The Capital Projects General Fund has $3.5 million in capital expenditures for 2024-25 and $2.8 million in 2025-26.

Capital Improvement Program:

The following significant projects are proposed to be funded in the four-year Capital Improvement Program developed as part of the 2024-26 budget development:

- Enhanced Roadway Maintenance – additional General Fund contributions in 2026-28.
- Depot Street and Railroad Avenue – Bikeway Project (construction in 2026-28).
- College Drive – Bikeway Project (construction in 2027-28).
- East Main Street Rehabilitation (construction in 2027-28).
- EV Infrastructure Expansion Phase 2 (2026-28).
- Transit Administration Building (2025-27).
- Remote Transit Facility (2025-26).
- BRT Implementation (2026-28).
- Pocket Parks (2026-28).
- ADA Barrier Removal at Simas Field (2026-27).
- Waste Discharge Requirements and Plant Upgrade (2024-28).
- Design, Permitting, Construction Quality Assurance and Construction of the Integrated Waste Management Facility at Los Flores (2026-28).
- Construction/Relocation of Fire Station 2 (2026-27).
- Fire Department Training Facility (2025-26).

The list of proposed significant projects over the next four years is not all inclusive of the overall capital improvement needs throughout the City including buildings rehabilitation, roads, and facilities to accommodate future growth.

Contributions to Outside Agencies:

The City contracts with the Santa Maria Valley Chamber of Commerce to facilitate community vitality through economic prosperity. This partnership focuses on the Chamber providing business support, attraction, and retention under the Economic Development Commission (since 2004) and tourism marketing through the Visitors Bureau (since at least 1978). The City's 2022-23 and 2023-24 contributions toward the Economic Development Commission were $217,000 and $222,500, respectively. The City's 2022-23 and 2023-24 contribution toward the Visitors Bureau were $593,000 and $608,000, respectively.

Given current City efforts in economic development and tourism, such as downtown revitalization, and other changing conditions locally and regionally, the City will conduct an overall assessment and evaluation of economic development and tourism needs, with review and recommendations by an outside consultant, and with input from stakeholders. This effort will begin at the start of 2024-25. During this time, the City will move to short-term contracts with the Chamber of Commerce. Staff proposes a month-to-month contract prorated at the current 2023-24 contract amount.

The Santa Maria Valley Historical Society Museum preserves the Santa Maria traditions that are important to the community and is a resource to all City departments for projects and information. It offers free services to those it serves. The museum building was given to the City and the City maintains the building for use by the museum and the Chamber of Commerce. The City's 2022-23 and 2023-24 contributions toward the Santa Maria Valley Historical Society Museum were $20,000 each year. The City will provide the same funding amount for the next two fiscal years.

The Santa Maria Museum of Flight serves as a preservationist of past, present, and future aerospace and aeronautical artifacts, historical documents, and memorabilia of the Santa Maria Valley. Its focus is on the aviation history of the Santa Maria Valley. The museum is located at the Santa Maria Airport. The City's 2022-23 and 2023-24 contributions toward the Santa Maria Museum of Flight were $20,000 each year. The City will provide the same funding amount for the next two fiscal years.

The Northern Santa Barbara County United Way operates the AmeriCorps/Home for Good Partnership for Veterans and People Experiencing Homelessness. The City's 2022-23 and 2023-24 contributions toward United Way were $30,000 each year. This funding was used to employ AmeriCorps members that conducted outreach with those experiencing homelessness, including veterans. United Way is transitioning from this business model of outreach and data collection to a focus on housing retention. The City will continue to provide the same funding amount for the next two fiscal years.

SUMMARY OF PROPOSED OVERALL STAFFING RECOMMENDATIONS:

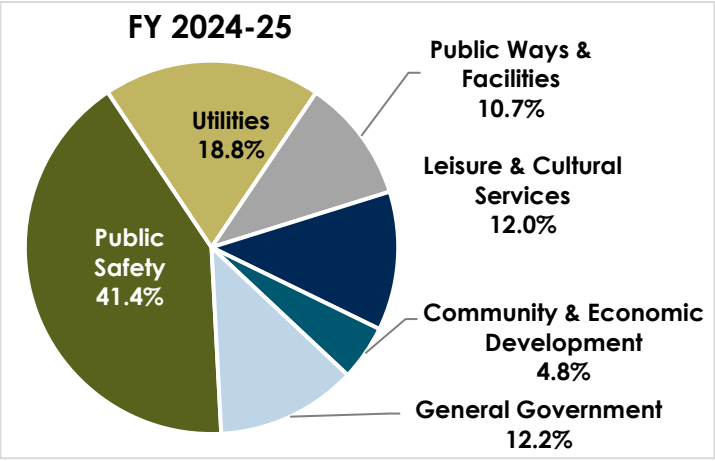
This section summarizes the personnel changes being proposed in the 2024-26 Budget for full-time, part-time, and limited-services positions. The full-time equivalent (FTE) counts listed in this budget document reflect positions funded with current resources. All positions, both full and part-time, are shown in the FTE count. A Full-Time Equivalent (FTE) is defined as a position that works 2,080 hours per fiscal year, or 2,912 hours for certain Fire personnel. For example, a full-time employee who works 2,080 hours per year equals 1.00 FTE. A part-time employee who works 1,664 hours per fiscal year equals 0.80 FTE. The FTE for Fire Department positions are reflected at the applicable calendar of 2,080 or 2,912 hours per FTE. Limited-service employees can work up to a maximum of 19 hours per week.

The positions listed in this budget document reflect those previously adopted during the 2023-24 mid-cycle budget update, those added and deleted (reclassifications) by the City Manager and through other City Council actions, specifically as part of the budget amendments presented with the First and Second Quarter 2023-24 Financial Reports, as well as the Enterprise Resource Planning System Project Implementation budget amendment adopted by Council in March 2024, which added 10 fixed term positions for the project. In preparation for the biennial budget process, departments assess their operational needs and recommend the addition, consolidation, or deletion of positions through Supplemental Budget Requests (SBRs) that have a nexus to support and align with the City Council's goals and priorities.

For 2024-25, the proposed personnel recommendations bring City-wide staffing totals to 690.00 authorized full-time positions and 42.40 part-time employees, for a total of 732.40 authorized positions. The proposed authorized staffing recommendations in 2024-25 bring the full-time employee-to-population ratio for the City to 6.61 employees per thousand residents – still far below the average 9.10 per thousand of three other Central Coast cities.

There are 601 budgeted full-time positions and 57 part-time employees, for a total of 658 budgeted positions, a ratio of 5.94 budgeted full-time employees per thousand residents. For the General Fund, in 2024-25, there are 461.92 full-time positions and 27.20 part-time positions proposed for a total of 489.12 positions.

Of the full-time General Fund positions, the Police and Fire budgets comprise 286 full-time positions or 41.4 percent of all full-time positions as depicted in the chart to the right. By comparison, in 2010-11 there were 212 full-time public safety-related positions. Since that time, the full-time complement in the public safety departments has increased approximately 35.5 percent, while the population of the City during this same time has increased by 11.1 percent. It should be noted that one out of every four full-time employees in the City is a sworn police officer. The impact of the proposed



City-wide staffing changes is 14 new full-time positions and one part-time positions in the first year. Of those new positions only 4.8 FTE – 4 new full-time and 1 part time position will be funded via the General Fund.

Conclusion:

This budget document is the result of efforts by staff from every City department. This recommended two-year spending plan is balanced pending implementation by the City Council. It provides for the continuation of key public services and reflects the needs of the community. It relies, however, on reserves, which by definition are not sustainable. Santa Maria must strive to achieve long-term financial sustainability. While reserves are being tapped, future liabilities, increasing employee costs, and deferred infrastructure maintenance temper the City's progress.

The City Council and staff must be disciplined and work together feverishly over the 2024-26 Biennial budget timeframe to seek out new revenue sources, and create new partnerships, to be in a position to implement new services or enhance programs to achieve the longer-term goal of a sustainable financial future. Finally, because the preparation of the budget is a substantial and extra work effort on behalf of the entire organization, I would like to thank all the dedicated budget team members from the Finance Department and from within my office, as well as those in the operating departments that provided professional and timely preparation, for the important roles they served in developing this budget document. To all the above, my sincerest appreciation is extended.

ALEX POSADA
Interim City Manager

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BUDGET RESOLUTION

City of Santa Maria

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RESOLUTION NO. 2024-92

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, ADOPTING THE BUDGET FOR FISCAL YEARS 2024-2025 AND 2025-2026, ADOPTING POLICY ACTIONS, AND DELEGATING THE CITY MANAGER TO IMPLEMENT THE SAME

WHEREAS, the 2024-2026 Proposed Budget of the City of Santa Maria, representing two fiscal year budgets (2024-2025 and 2025-2026), has been submitted to the City Council, has been considered, and is in final form and substance satisfactory to this Council.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Santa Maria, California, as follows:

1. The budgets for the City of Santa Maria for fiscal years 2024-2025 and 2025-2026, hereby incorporated by reference and fully set forth herein, are hereby adopted in the form on file with the Chief Deputy City Clerk; and

2. The use of three reserve funds (General Fund, Measure U, and Local Economic Augmentation Fund) may be used in 2024-25 to fund the authorized aforementioned adopted budget; and

3. All encumbrances as of June 30th of each year, as represented by outstanding purchase orders and approved capital projects in process, are hereby authorized to be carried forward and appropriated into the next fiscal year budget as determined by the Director of Finance; and

4. The City Manager is hereby authorized to process the carry-over of funds from 2023-2024 to 2024-2025 as determined by the Director of Finance in accordance with the Council adopted financial policies and GASB; and

5. The City Manager is hereby authorized to make administrative changes to the adopted budget record to reflect the City Council action taken at the Budget Hearing on June 18 if any.

6. The City Manager is authorized to take all necessary actions to implement the provisions of the said budget as adopted on this date, including the policy actions referenced in this Council Agenda Report, future adjustments to the budget for unanticipated expenditures offset by revenues, transfers of budget amounts within a Fund, and any other adjustments approved by the City Council before the adoption of this resolution, and approving change order requests for City Council approved projects; and

7. The City Manager is also authorized, until otherwise directed, to continue to under-fill classifications by existing classifications when warranted to address operational demands, approve promotional opportunities for employees in established flexibility staffed positions based on merit and full journey-level experience; continue the

performance-based pay program for management employees on employment contracts; entering into side letters of agreement with the employee bargaining groups to address operational issues when warranted; and

8. The City Manager is authorized to approve the purchase of capital equipment and replacement equipment for the 2024-2026 fiscal years, as delineated in the Capital Projects section of the 2024-2026 Budget in conformance with the City's purchasing guidelines and any applicable State and Federal guidelines; and

9. All General Fund operating surplus as of June 30th of each year will revert equally to General Fund Assigned Fund Balance for Unfunded Pension Benefits, the Capital Projects fund for "one-time-only" General Fund expenditures, and to Local Economic Augmentation Fund (LEAF) until the LEAF fund balance reaches 5 percent of operating General Fund and Measure U operating appropriations; and

10. The Chief Deputy City Clerk is hereby authorized to make minor changes herein to address clerical errors, so long as substantial conformance of the intent of this document is maintained. In doing so, the Chief Deputy City Clerk shall consult with the City Manager and City Attorney concerning any changes deemed necessary.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Santa Maria on this 18th day of June 2024.

Mayor

ATTEST:

06/25/2024

Chief Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO CONTENT:

Department Director

Interim City Manager

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA) ss.
CITY OF SANTA MARIA)

I, **Alexandra R.E. Valadez**, Assistant City Clerk of the City of Santa Maria and ex officio Clerk of the City Council **DO HEREBY CERTIFY** that the foregoing is a full, true, and correct copy of **Resolution No. 2024-92** which was duly and regularly introduced and adopted by said City Council at a regular meeting held **June 18, 2024,** and carried on the following vote:

AYES:	Councilmembers Escobedo, Cordero, and Mayor Patino.
NOES:	Councilmembers Soto and Aguilera-Hernandez.
ABSENT:	None.
ABSTAIN:	None.

Assistant City Clerk
City of Santa Maria

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COMMUNITY PROFILE

City of Santa Maria

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More than 150,000 people a year attend the Santa Barbara County Fair held in Santa Maria. The popular Strawberry Festival also is hosted at the Santa Maria Valley Fairpark.

"Downtown Fridays" draws more than 1,500 people each week for entertainment and food. The event, now in its ninth year, is a partnership among the City and local organizers, to stimulate the community's downtown core.

The Santa Maria Valley is rich in agriculture and home to some of the ripest, juiciest, largest strawberries in the country. Farmers grow multiple varieties and harvest more than 7,500 acres annually.

Tens of thousands of travelers per day along Highway 101 are welcomed by this sign. Santa Maria has long been a regional shopping center, and continues to attract more companies due to its business-friendly approach.

Currently there are more than 2,600 housing units with pending or approved discretionary entitlements.

Before Sunset Magazine named our valley's classic feast the "best barbecue in the world", the California Visitor's Guide dubbed our famous Santa Maria Style Barbecue "the number one food not to miss while visiting California.

INTRODUCTION

The City of Santa Maria is located in Santa Barbara County on the west coast of California in what is known as the Central Coast. Santa Maria is the largest City by population and geographic area in the County (23.2 square miles).

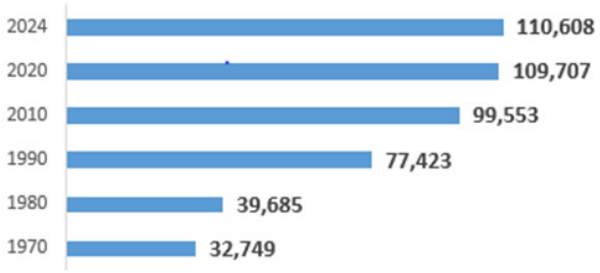
DEMOGRAPHICS

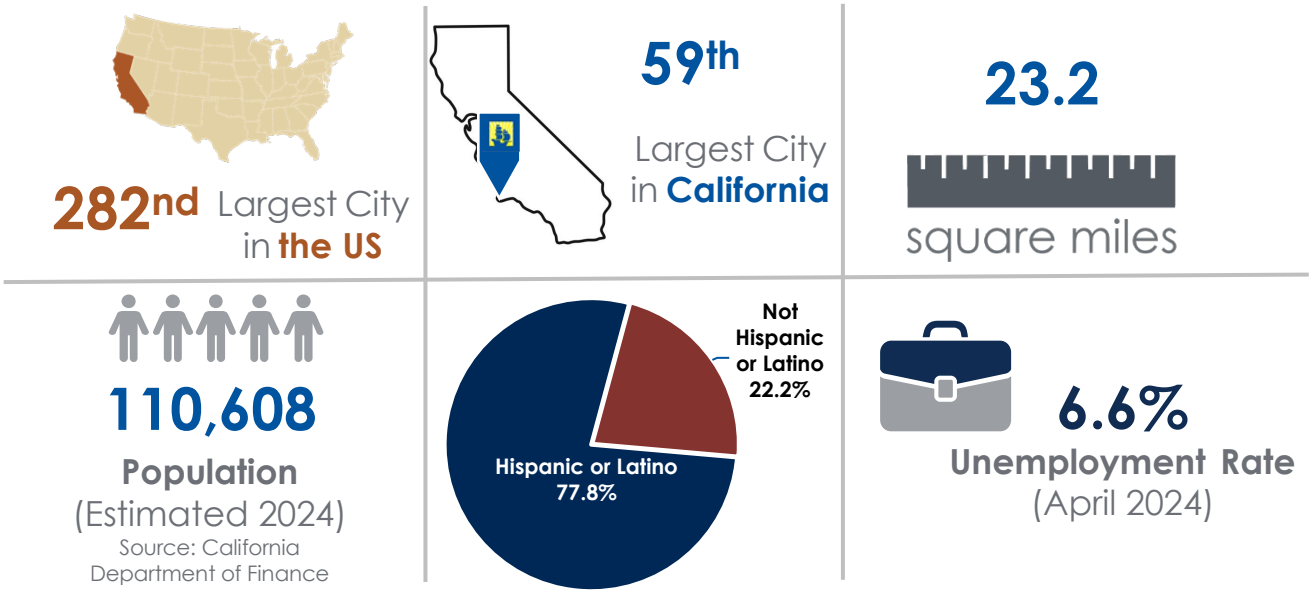
A city is defined by its assets, the most important one being the people that populate it and work within its boundaries. The City has carefully planned for growth, while preserving local history, being cognizant of both its past and the modern future.

CITY POPULATION

The City's population reached 110,608 as of January 1, 2024, according to the State Department of Finance (DOF), making it the 59th largest city by population of 482 municipalities in California. Nearly 25 percent of all residents within Santa Barbara County live in Santa Maria. From 2000 to 2022, the number of City residents identifying as Hispanic increased from 51.3 percent to about 77.8 percent. The percentage of residents who speak a language other than English at home is 66 percent as of 2022 according to the Census.

City population growth by decade, according to the Census and State:



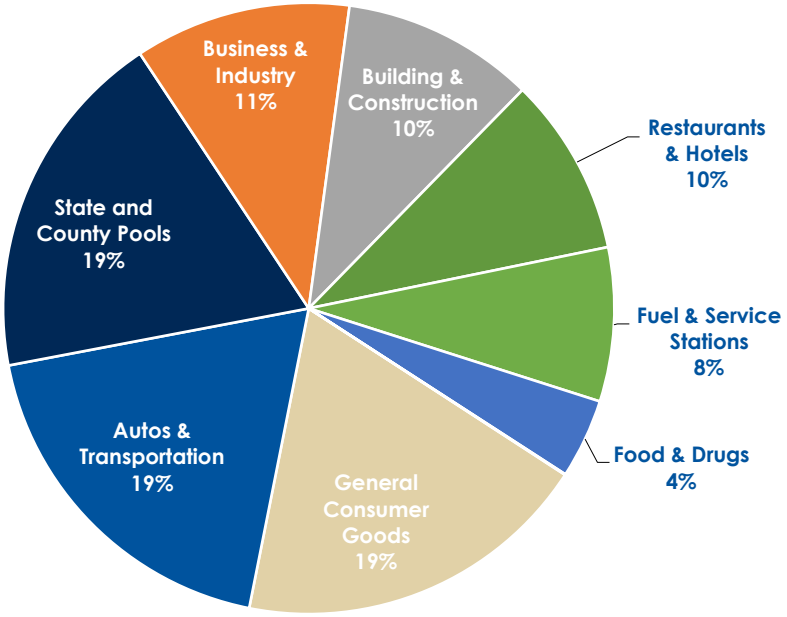


* Source: United States Census Bureau, 2022 American Community Survey 1-Year Estimate

BUSINESS TYPES AND RETAIL SALES

Santa Maria is an important retail center on the Central Coast. The City Council in early 2016 approved formation of a tourism business improvement district, assessing a two percent fee on each overnight stay in a Santa Maria motel or hotel room. Funding is fueling a marketing push into new markets. More guests staying overnight, eating at more restaurants, visiting wineries, using gas stations, and shopping at local stores will boost sales tax revenue for the City.

Sales Tax Allocation by Major Industry Groups


Business & Industry 11%
Building & Construction 10%
Restaurants & Hotels 10%
Fuel & Service Stations 8%
Food & Drugs 4%
General Consumer Goods 19%
Autos & Transportation 19%
State and County Pools 19%

Santa Maria's Top 10 Sales Tax Producing Business Types

- New Motor Vehicle Dealers
- Building Materials
- Service Stations
- Quick-Service Restaurants
- Warehouse / Farm / Construction Equipment
- Casual Dining
- Petroleum Products / Equipment
- Grocery Stores
- Garden / Agriculture Supplies
- Plumbing / Electrical Supplies

Source: HdL Companies (City of Santa Maria's sales tax consulting firm), Year 2024, Calendar Quarter 1

SANTA MARIA'S TOP 25 SALES TAX PRODUCERS

(alphabetical order)
Cal Coast Machinery
California Electric Supply
Community Volkswagen BMW Of Santa Maria
Conserv Fuel
Costco
Crop Production Services
Foods Co
Hayward Lumber
Home Depot
Home Motors Chevrolet & Cadillac
Honda of Santa Maria
JB Dewar
Kia Santa Maria
Lowes
Quinn CAT Company
Ross
Santa Maria Dodge Chrysler
Santa Maria Ford
Santa Maria Nissan Mazda
Sky River RV
Stowasser Buick GMC
Target
Toyota of Santa Maria
Trojan Petroleum
Walmart

Source: HdL Companies (City of Santa Maria' sales tax consulting firm), Year 2024, Calendar Quarter 1

Composition of Population:

	City	State
Male	49.9%	50.1%
Female	50.1%	49.9%
Median Age	29.5	37.9
Avg. Household Size	4.19	3.39
Owner-Occupied	49.6%	55.8%
Renter-Occupied	50.4%	44.2%

ECONOMICS

Top Employers:

1,000+ Employees:

- Allan Hancock College
- County of Santa Barbara
- Marian Regional Medical Center/Dignity Health
- Santa Maria-Bonita School District

500+ Employees:

- City of Santa Maria
- Community Health Centers
- Santa Maria Joint Union High School District
- Windset Farms

* Although located outside the City limits, Vandenberg Space Force Base (4,300 employees and contractors) and the Diablo Canyon Power Plant (1,500 employees and contractors) are near the City and are a major source of local employment and local purchasing.

COMPARISONS TO OTHER COMMUNITIES/STATE

Estimated Median Household Income:

Santa Maria $81,237
Santa Barbara $98,346
Lompoc.....$66,947
California $91,905

HOUSING

Santa Maria has approximately 29,910 housing units, of which 66 percent (19,751) are single-unit structures, 30.5 percent (9,133) are multi-unit structures, and 1,026 are mobile homes. Overall, there is an estimated 3.4 percent vacancy rate.

BUILDING ACTIVITY

Development activity resulted in $171 million in valuation for 2022 and $93 million in 2023.

PUBLIC SCHOOLS

Institution Enrollment:

Santa Maria-Bonita School District (K-8) 17,024
Allan Hancock College 25,000
Santa Maria Joint Union High School District... 9,133

LOCAL HOSPITAL

Marian Regional Medical Center

LEGISLATIVE DISTRICTS

- State Senate District 19
- State Assembly District 35
- Congressional District 24
- Santa Barbara County Supervisorial Districts 4 and 5

ZIP CODES

- 93454-93458

AREA CODES

- 805 and 820

WEATHER

14" of annual rainfall. Average high is 68.6 degrees; record low 20 degrees in 1978; record high 110 degrees in 2008.

CITY GOVERNMENT

The City of Santa Maria was incorporated on September 12, 1905. The City became a Charter City in December 2000, after the voters of Santa Maria approved a ballot measure in November 2000 to change from a General Law City to a Charter City. A Charter City can adopt laws, different than the general State laws, to meet the specific needs of the city. The operation of a city under a charter is often referred to as "home rule."

The City operates under the council-manager form of government. Starting in November 2018, Councilmembers are elected by-district for four-year, overlapping terms of office. The Mayor is separately elected at-large by a popular vote, for a four-year term.

CITY HISTORY

The community's roots are traced back to the days of the California missions. After Mission San Luis Obispo was established in 1772 and Mission La Purisima (in what is now Lompoc) in 1787, settlers were

attracted to the Santa Maria Valley. In 1821, when Spain granted Mexico its independence, mission lands were made available for private ownership. In 1874, four of the valley's prominent settlers, Rudolph Cook, John Thornburg, Isaac Fesler, and Isaac Miller, each donated land where their properties met to form a city centered on Main Street and Broadway. The townsite map was recorded in Santa Barbara in 1875.

The community was not always known as Santa Maria. The town was originally known as Grangerville – for a Grange co-operative store started by Thornburg. Later, it took on a new name, Central City, because the town lay between Guadalupe and Sisquoc. But the name Central City, California, kept getting confused with Central City, Colorado. Mail intended for Central City, California, was being sent to the Colorado community of the same name. Thornburg reportedly came up with the name Santa Maria from the name that settler Juan Pacifico Ontiveros had given to his property 25 years earlier. Ontiveros and his wife had arrived in the area in 1855 and built a palatial adobe (a home built of clay and straw bricks) at the mouth of a local canyon and called their home Santa Maria. The home was finished in 1858. Ontiveros already named the nearby waterway "Santa Maria Creek," until it rained for 30 days and 30 nights in 1861-1862, and then he referred to it as a river. This waterway is known today as the Santa Maria River.

HERITAGE

The change of name from Central City to Santa Maria was noted in the first issue of the Santa Maria Times on April 22, 1882.

The Santa Maria Valley saw oil exploration begin in 1888, leading to large-scale discoveries around the turn of the century. In 1901, William Orcutt urged his company (Union Oil) to move forward by leasing more than 70,000 acres within a year. Soon, Union Oil and a number of smaller companies were pumping for oil. By the end of 1903, Union Oil, the major player in the region, had 22 wells in production. Several significant discoveries followed, including the Orcutt and Cat Canyon fields in 1904 and 1908, respectively. Union Oil's Hartnell Well No. 1 (known as Old Maude) struck a large oil-bearing reservoir in the Orcutt field in late 1904 and reportedly produced one million barrels of oil in its first 100 days of operation. Oil development intensified in the 1930s, spurring the City's growth even further. By 1957, there were 1,775 oil wells in operation in the Santa Maria Valley, producing more than $64 million worth of oil.

Oil production in the valley is more than a century old.

In 1905, faced with the need to provide local governance to the rapidly growing population attracted to the valley, due to the discovery of oil, Santa Maria was incorporated as a general law city. That same year, Union Sugar built the valley's first major industrial plant in Betteravia. Acres of sugar beets were grown, and sugar cane and beets were imported from inland California and other American and foreign fields. A cattle feeding yard was developed to dispose of waste from the sugar plant.

Soon after the incorporation, people began talking about the possibility of a library and in 1907 the City appointed a Board. Because the Carnegie Library Foundation was giving money for buildings in order to encourage the use of libraries, the Board applied for a grant in the amount of $10,000. The women of the Minerva Club received their wish for a new library. After consideration of various locations, Mr. Paul O. Tietzen generously donated a plot of land and philanthropist Andrew Carnegie kept his promise. A beautiful Carnegie Library opened in May 1909, initially with 600 volumes.

The Carnegie Library

In 1908, an electric streetcar provided service to the northwest part of the City. Three years later, the Santa Maria Valley Railroad was constructed by an oil syndicate. Before World War II, Santa Maria Valley Railroad and Pacific Coast Railway trains connected areas east and south of Santa Maria to the Southern Pacific line at Guadalupe. An ice plant at Miller supplied ice for the refrigerator cars, which carried vegetables and other produce. The Santa Maria Valley Railroad was incorporated in 1911 and in 1915 was sold to Captain G. Allan Hancock. Today, the railroad has 14 miles of mainline track and serves freight customers in the Santa Maria Valley, linking with the Union Pacific Railroad at Guadalupe.

Frank McCoy came to work for the new Union Sugar plant. Immediately he saw that the City, located midway between Los Angeles and San Francisco, had no comfortable hotel accommodations. When he retired in 1915, he bought a lot eight blocks south of the center of the town and built the Santa Maria Inn. With its beautiful flower gardens, the Inn became a popular stopping-place for important travelers from all over the world. With the addition of the six-floor tower in 1984, it now provides 166 rooms and suites.

Paying homage to the past: a classic wooden caboose, a Sacramento Northern Railroad boxcar, and Union Sugar No. 1 steam locomotive were installed in November 2011 as an exhibit near the Transit Center.

In 1919, a two-story 13-room home built by Robert Martin on South Broadway was sold to a group of businessmen and later became the Santa Maria Club. This private men's club served as the political and social center of the valley for many years. The members built a huge barbecue pit and developed the famous "Santa Maria Style Barbecue." Later, the building became the Landmark Restaurant and Lounge, and barbecue duties were assumed by the Elks Lodge.

In 1928, Hancock Field, Santa Maria's first airport, was opened on the east side of town. Captain Hancock was president of Santa Maria Airlines and founded the College of Aeronautics at that field. Later Allan Hancock College was built on the site of Hancock Field. Today, the college offers more than 2,600 courses in over 100 fields of study via 14 academic departments and is a major focal point in the community with an economic impact of over $250 million annually. A $180 million bond, Measure I, passed by voters in June 2006, enabled the College to modernize technology, upgrade infrastructure, and build new teaching and learning spaces. in the college has built a new Industrial Technology/Physical Education and Athletic Fields Complex, Public Safety Training Complex, Childhood Center addition, Community Education building, a Student Services building, a Fine Arts Complex, and more.

Santa Maria City Hall was dedicated in 1934. Initially, the building also had room for the Police Department and Chamber of Commerce. The building received designation as a City landmark in 1985.

In the mid-1970s, the Santa Maria Town Center West (the Mall) was added to the City's downtown, creating 400,000 square-feet of enclosed retail shopping. The Mall was expanded in the late 1980s and early 1990s.

On June 20, 1998, Santa Maria was selected as one of 10 cities Nationwide, to receive the coveted All-America City designation. The program promotes the collaboration of individuals, businesses, local government, non-profit organizations and the citizenry in the identification and solutions of problems.

In 1999, the commercial area along Bradley Road expanded and the Crossroads Shopping Center opened at Betteravia Road and Highway 101. This shopping center is home to national retailers and several automotive dealerships. The City has continued to add major "destination" retail outlets to its existing retail offerings.

The Public Library is one of the jewels of downtown. Following four expansions, the new Main Public Library opened in August 2008 to rave reviews. Patrons enjoy the expanded book collections, public computers, the Children's Theater, the Central Coast Literacy Center, study rooms and a Library Shop. Shepard Hall serves as the community meeting room, and new art exhibits from local and regional artists are put on display. Nearby is the Abel Maldonado Community Youth Center.

Abel Maldonado Community Youth Center

Agriculture has always been significant to Santa Maria. Many modern farms have been in the same family for generations, and about one in every five local jobs is tied to agriculture. Santa Maria Valley farms and ranches made a huge contribution to Santa Barbara County's gross crop production value of over $1.9 billion in 2022. Strawberries, broccoli, cauliflower, lettuce and celery are grown in the valley. The annual strawberry crop is valued at more than $800 million. In 2011, Canada-based Windset Farms opened its state-of-the-art, multimillion-dollar greenhouse and processing operation to grow tomatoes and expanded in 2015. The campus occupies four 32-acre greenhouses, one 5-acre greenhouse, a processing plant and other facilities, and is seeking to expand.

Held annually in June, the Santa Maria Elks Rodeo celebrates Santa Maria's heritage.

Every year, the Santa Maria Elks Rodeo is a three- to four-day event made possible by more than 1,300 volunteers who work on numerous committees. The result is the annual parade on Broadway (State Highway 135), the rodeo, a rodeo queen contest, beard-a-reno contest, a mini rodeo, concerts, dances, barbeques, banquets, and much more.

THE CITY'S PRESENT AND FUTURE

Santa Maria has a diverse economy based on agriculture, commercial, and manufacturing, in addition to education, health care, tourism, oil production and government. In recent years, the City has experienced positive trends in most economic segments led by consumer spending, construction spending, and increased property values. Construction activity has increased significantly. Downtown Fridays, in its ninth year as of 2024, draws thousands of people downtown to shop and find live entertainment.

The City Council in early 2016 approved formation of a tourism business improvement district, assessing a two percent fee on each overnight stay in a Santa Maria motel or hotel room. Funding is fueling a marketing push into new markets. More guests staying overnight, eating at restaurants, visiting wineries, using gas stations, and shopping at local stores will boost sales tax revenue for the City.

In 2024, residential, commercial, and industrial construction continues throughout the City. The demand for housing is constant. The City is working toward meeting its most recent State-mandated Regional Housing Needs Allocation of planning for 5,418 new units between 2023 and 2031.

The Centennial Square Apartment project is currently under construction at the southwest corner of Miller Street and Plaza Drive. This project includes 184 affordable apartments. One of the newest apartment complexes that has been recently completed is Centennial Gardens along West Battles Road, offering 160 affordable apartments in nine buildings. Also new is Santa Maria Seniors near Santa Maria Way and Miller, with 160 affordable efficiency apartments for seniors. Lakeview Estates (Elements Apartments) at Highway 135 (Broadway) and Skyway brings 152 apartments and 9,800 square feet of commercial space. The Avante Apartments at Carmen Lane and Blosser Road will bring 86 apartments. This is just a partial list. The largest new neighborhood to receive City approval is Blosser Ranch, set for about 1,485 housing units on 145 acres at the southeast corner of Stowell Road and Blosser Road. The City has purchased 19 acres for a sports complex and is working on another site for a future fire station.

A four-story, 93-room Holiday Inn Express has been approved to be constructed on a two-acre lot on Roemer Court, at the north edge of the community. Chick-Fil-A is also approved for construction of a 5,000-square-foot commercial drive-through restaurant at Broadway and Preisker Lane, also at the northern edge of the City. MaxCo Box Facility is a 62,000-square-foot box makeup building and outdoor material storage yard on Stowell Road. Seaside Packaging is a nearly 41,000-square-foot packaging warehouse and distribution facility on La Brea Avenue. This is just a partial list.

Revitalizing the historic downtown core remains a priority with projects continuing to be developed and moving forward towards City approval. The City has continued working with a developer, the Vernon Group, on the planning and construction of several multi-story mixed-use residential and commercial buildings located on underutilized City owned parking lots in the area of the intersection of Broadway and Main Street. The first of these projects, Alvin Newton Apartments (Lot 3), was approved by the City Council In 2023. This project is located at the southeast corner of Main Street and Broadway and is a 6-story, 75,340-square-foot mixed-use building with 5,760-square-feet of ground floor commercial, 82 apartment units, a rooftop deck, outdoor plazas, parking, and a firefighters' memorial. Future developments are proposed on the Perlman Park site located on the northeast corner of Main Street and Broadway (Lot 2), the northerly parking lot adjacent to the old Fallas/Mervyn's building, and the parking lot east of the Ruffoni building adjacent to Lincoln (Lot 4). The Heritage Walk Lofts project (former Mervyn's/Fallas building) to redevelop that building into 102 apartment units is currently under review by the City and the construction plans for Alvin Newton Apartments are currently being drafted for submittal to the City later this year. Both projects should break ground later in 2024.

The Downtown attractions include the Santa Maria Town Center with the Regal Edwards movie theatre and the civic center at the Public Library. Future planning efforts will continue to focus on developing a pedestrian friendly city center with outdoor gathering spaces and plazas, pedestrian connections, and entertainment opportunities.

TIMELINE

1856	Juan Pacifico Ontiveros and his wife, Maria Martina Osuna, purchase Rancho Tepusquet. Arriving on the "Feast of Mary," They name their ranch "Santa Maria" and build an adobe.		**1959**	Santa Maria River Levee is built by Army Corps of Engineers (1959-1963) to deter continuous flooding from upstream watersheds.
1874	Rudolph Cook, John Thornburg, Isaac Fesler, and Isaac Miller donate land to form a town called Grangerville, later renamed Central City.		**1975**	Santa Maria Town Center East Mall opens with a three-level parking structure. It becomes the first major indoor shopping center on the Central Coast.
1882	Central City was later renamed Santa Maria. The Pacific Coast Railway arrives, connecting Santa Maria to Port Hartford (now Port San Luis).		**1998**	As one of only 10 cities in the nation annually, Santa Maria received the All-America City designation from the National Civic League.
1905	The City of Santa Maria is born on September 12, 1905. The vote is 202 votes for and 139 against incorporation.		**2006**	With 89,917 residents, Santa Maria becomes the most populous city in Santa Barbara County for the first time.
1911	Santa Maria Valley Railroad incorporated, providing rail freight and commerce to the valley.		**2008**	The 60,000-square-foot new Main Public Library opens in August to a crowd of over 10,000 on the first day and quickly becomes the jewel of the Central Coast.
1925	Captain Allan G. Hancock establishes the Santa Maria Valley Railroad and Hancock College of Aeronautics (now Allan Hancock College). Santa Maria High School opens.		**2020**	The A.T. Still University of Health Sciences opened its satellite campus in Santa Maria with its first cohort of students.
1934	Dedication of the new City Hall. In its early days, the building housed the City Judge, Department of Motor Vehicles and Chamber of Commerce.		**2023**	The City opens Machado Plaza at North Pine Street and West Chapel.

Local teens helped make a colorful mural depicting Santa maria's history.

Dia de Los Muertos is a popular November event.

LITTLE KNOWN FACTS ABOUT THE SANTA MARIA VALLEY

- The Legend of Zorro was based on the life of Solomon Pico, a murderous bandit who camped in the Santa Maria hills.
- From 1962-1963, John Madden was the head coach of Santa Maria's Allan Hancock College football team.
- The Historic Santa Maria Inn (opened May 1917) was a favorite of William Randolph Hearst (American newspaper magnate) and his friends, who often stayed at the Inn on journeys to Hearst Castle in San Luis Obispo County. Marilyn Monroe, Clark Gable, Shirley Temple, Jimmy Stewart, and Rudolph Valentino were among the Inn's notable guests during the "Golden Years" in Hollywood.
- In 1904, Old Maude, Santa Maria's first oil well, produced 1,000,000 barrels of oil in its first 100 days of operation.
- The Guadalupe-Nipomo Dunes Complex just west of Santa Maria boasts the highest beach dunes in the western United States, with some towering 500 feet. The 1923 Cecil B. DeMille's silent movie, "The Ten Commandments," was filmed in the Guadalupe-Nipomo Dunes Preserve. Due to weather and wind, the set was gradually buried beneath the sand.
- In 1978, the Santa Maria Valley Chamber of Commerce copyrighted the Santa Maria Style Barbecue recipe to protect the genuine article.
- The Minerva Clubhouse, located in Santa Maria, was designed in 1927 by Julia Morgan, famed architect of Hearst Castle, a State park approximately 50 miles north of Santa Maria.
- The Santa Maria Public Airport stands at the site of a U.S. Army Air Field used during World War II.

*The 1963 Allan Hancock College Bulldog coaching staff, from left to right: End Coach Jim Wood, Head Coach **John Madden**, Defense Coach Dick Mannini, Backfield Coach Ernie Zampese.*

Photo courtesy of Allan Hancock College.

ACCESSIBILITY AND COMMUNITY MOBILITY

The City operates Santa Maria Regional Transit (local bus service), the Breeze (intra-City service), and ADA Paratransit. The Transit Center is at 400 Boone Street. Greyhound serves the area. The Santa Maria Public Airport, with two runways, provides commercial flights and is home to over 200 general aviation aircraft. Amtrak provides local bus service to its rail service.

Highways serving the area:

- U.S. Highway 101
- State Route 135
- State Route 166

TRANSPORTATION NETWORK

The City recognizes the importance of having a robust transportation network to serve the needs of the community and shape it in positive ways, as well as providing alternatives to the private automobile to reach destinations within Santa Maria and the region. The Santa Maria Circulation Element of the General Plan evaluates the transportation needs of the City and presents a comprehensive transportation plan to accommodate those needs. The intent of the Circulation Element is to guide the orderly improvement of the circulation system in direct response to the Land Use Element of the General Plan. The original Circulation Element was adopted by the City Council on April 17, 1979. The text was reformatted in April 1987 and incorporates amendments made through September 6, 2011.

Regional access to the City of Santa Maria is provided by the U.S. 101 Freeway. This highway provides the City with good access to neighboring population centers. The major existing north-south streets serving Santa Maria are Broadway, Blosser/Skyway, and Miller. Broadway is designated State Route 135 and connects the Santa Maria/Orcutt urban areas. The major east-west streets serving Santa Maria are Donovan Road, Alvin Avenue, Main Street, Stowell Road, Battles Road, McCoy Lane, and Betteravia Road. Main Street is designated State Route 166, west of U.S. 101, and connects Santa Maria to Guadalupe to the west and unincorporated areas of Santa Barbara County to the east. Main Street also has an interchange with U.S. 101.

SANTA MARIA REGIONAL TRANSIT

The Santa Maria Regional Transit (SMRT) system provides local and regional public transportation services, as mandated under State and Federal regulations, for the transit needs of the Santa Maria urban area. SMRT returned to full service in August 2021, after 14 months of reduced service due to the pandemic. SMRT then provided free rides to vaccination locations.

IMPROVED LOCAL TRANSIT

SMRT introduced important service changes as of January 2, 2022. The route and schedule changes include improved connections and more direct service to popular destinations. Routes were retimed to facilitate transfers and improve reliability, and most now operate on a 45-minute frequency. This offers more services where they are needed, shortens the length of some routes, and provides improved access to the high schools.

AIRPORTS OFFERING PASSENGER AND CARGO SERVICE

The Santa Maria Public Airport encompasses approximately 2,598 acres, including two active runways. The airport provides facilities for one airline (Allegiant) and serves as home base for over 200 general aviation aircraft. The Fire Department provides, under contract, Aircraft Rescue and Fire Fighting and airport inspection services to the Santa Maria Public Airport.

Located just 27 miles north of Santa Maria, San Luis Obispo County Regional Airport (SBP) provides passenger service to cities all over the world, as well as highly accessible cargo service. Commuter services are also available at the airport. Service is provided by United Airlines, American Airlines, and Alaska Airlines through their respective regional partners. In addition, within approximately one hour's drive of the City is the Santa Barbara Municipal Airport.

GUIDE TO THE BUDGET

City of Santa Maria

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PURPOSE OF THE BUDGET

The budget process furnishes departments with an opportunity to justify departmental work programs, to propose changes in services, and to recommend revisions in organizational structure and work methods. It also enables the City Manager to review these aspects and make appropriate recommendations to the City Council. The City budget sets forth a strategic resource allocation plan that addresses the City Council's Priorities. The Budget is a policy document, financial plan, operations guide, and communication device all in one. Through the budget document, the City demonstrates its accountability to its residents, customers, and the community-at-large.

Presentation of the budget to the City Council provides an opportunity to explain municipal programs and organizational structures. It also allows the Council to judge the adequacy of the proposed operating programs, to determine basic organizational and personnel staffing patterns, and to establish the level of municipal services to be provided with the available resources. In order to accomplish these objectives, the budget must combine an explanation of anticipated financial resources for the ensuing fiscal year with proposed expenditures, supported by sufficient information on the proposed programs and activities to assess the appropriateness of the recommended levels of services.

The City's Budget accomplishes the following:

- Determines the quality and quantity of City programs and services;
- Details expenditure requirements and the estimated revenue available to meet these requirements;
- Connects the activities of individual City Departments to the City Council's Priorities;
- Sets targets and provides a means of measuring actual accomplishments against goals; and
- Serves as a communication device that promotes the City's vision and direction, fiscal health and vitality, and what the public is getting for its tax dollars.

This document reflects the City's continued use of a two-year financial plan, which emphasizes long-range planning and effective program management. The benefits of a two-year plan include:

- Ability to maintain long-range planning efforts;
- Ability to focus on developing and budgeting for significant objectives;
- Encourage more orderly spending patterns;
- Ability to set realistic schedules for completing program objectives; and,
- Save time and resources allocated to preparing annual budgets.

This document represents a proposal for the City's two-year budget, covering the period of July 1, 2024 through June 30, 2026. As in the past, staff concentrated on the first year of the two-year budget (2024-25). The second year of the two-year budget has been developed from the first year's funding and revenue levels.

This budget is adopted as "two one-year budgets". Amendments to this document may be necessary, at the end of 2024-25, depending on economic circumstances, and will be addressed during the Mid-Cycle Budget Review in June 2025. For that reason, the budget summary schedules, financial tables, and graphic presentations in this document only show proposals for 2024-25 budget year. In 2024-26, each department and budget unit that is adopted is shown in the *Department Budget Detail* section.

Additionally, the budget provides the legal authority for expenditures and a means for control of municipal operations throughout the fiscal year. Accordingly, the City Charter mandates that a budget be adopted prior to the beginning of the fiscal year.

THE OPERATING BUDGET, CAPITAL BUDGET, AND CAPITAL IMPROVEMENT PROGRAM

The budget document contains information about both the City's operating and capital budgets. The operating budget details the funding for the day-to-day operations and obligations of the City for a specific fiscal year such as personnel costs, vendors and contractors, utilities, building maintenance, and debt payments. The capital budget details planned expenditures for the same fiscal year to construct, maintain, or improve City facilities such as fire and police stations, libraries, parks, recreation centers, streets, sewers, and water infrastructure.

Capital projects range from road maintenance or construction to the renovation of municipal buildings, recreation centers and ball fields, and water main and sewerage system replacement. The Summary of Capital and Maintenance Projects provided in the *Capital Improvement Program Overview* section of this budget, beginning on page 143 relates capital project needs to the financial sources that will support their realization and the timeframe in which both the financing and work will take place. Often spanning multiple years, capital improvement projects typically carry considerable future impact. They are often financed over a longer period, in effect spreading the cost of the project over generations of beneficiaries; however, the first two years are integrally related to the Biennial Budget.

Certain projects for which funding is not yet secure or planning is not complete are budgeted during the fiscal year through supplemental appropriations. Additionally, debt-financed projects are typically reflected twice in the Biennial Budget as an original capital expenditure from the proceeds of the debt and as payments of principal and interest over several years. For example, in 2012, the City issued debt to finance the construction of a transmission line to take delivery of State Water, the purchase of an additional 4,900 acre-feet of entitlement, and to acquire and construct certain water and wastewater facilities. The capital expenditure for the project was budgeted in the applicable fiscal years, as well as debt obligations which are still shown in the budget each year until fully paid off.

BUDGET PROCESS

The following describes the process used to develop the 2024-26 Biennial Budget. The City operates under a biennial budget spanning two fiscal years (a fiscal year is July 1 through June 30). The budget document consists of two one-year budgets.

Preparation of the two-year budget is a forward-view policy document, identifying proposed service levels given funding constraints and competing demands. The City's budget is one of the most significant policy documents for consideration by the City Council. The budget process is driven by the policies, programs, and objectives of the City Council, which are financed by revenues received by the City.

The budget preparation process begins, in earnest, at the staff level around the January-February timeframe when the Department of Finance develops preliminary revenue forecasts based on the most recent revenue data. After these preliminary revenue forecasts are developed, budget instructions are distributed to City departments to compile the departments' proposed budgets. The budget instructions explain the financial plan, budget calendar, and materials included with the instructions, as well as required budget forms to be completed by each operating department. This year the instructions explained operating budget requests, supplemental budget requests, and all capital/maintenance/equipment project requests. Each department is provided the historical budget information of salaries and benefits, services and supplies, and revenues.

Capital/maintenance/equipment project requests were distributed to departments in October 2023, ahead of the budget process. Budget instructions were distributed to departments in mid-December 2023. Each department was requested to develop a proposed budget, using as a base the existing budget amounts from the adopted Mid-Cycle 2023-24 Budget. Workers' compensation and liability insurance premiums were directly allocated to department budgets to display a more complete picture of department costs and to provide increased transparency to facilitate cost management going forward.

This year, as in 2014, 2016, 2018, 2020, 2022 and 2024, staff engaged the services of an outside facilitator to assist the City Council in establishing overall City-wide priorities and goals for the 2024-26 fiscal years. A one-day Goal Setting Exercise was held as a special, public City Council workshop on February 19 at the Minami Community Center. On March 19, 2024, the City Council received a presentation from City staff on the proposed City-wide goals and took action to adopt the goals via a Resolution. After approval, the Budget Review Team then guided each department to ensure their submitted 2024-26 budgets contained a nexus to the overall City-wide goals, for review by the Budget Review Team.

The Budget Review Team was led by the City Manager, Assistant City Manager, Director of Finance, Assistant Finance Director, and Chief Human Resources Officer, who, with select budget support staff, met with each department to review their respective budget submittals. The Budget Review Team validated the revenue assumptions, reduced operating expenses, assessed capital and maintenance requests, and identified warranted personnel changes. The Budget Review Team then met and discussed budget submittals and reviewed operating, capital, and personnel recommendations. Once all requests were reviewed, the City Manager provided the Budget Review Team with direction on items for inclusion in the recommended budget. The Budget Review Team, with the assistance of staff from the Department of Finance and the City Manager's Office, then commenced the extensive and laborious process of integrating and compiling the budget document for presentation to, and consideration by, the City Council. During this time, the City Manager and Director of Finance composed the Budget Message.

The City Manager submitted, for City Council's consideration, a balanced budget proposal (using one-time reserves to balance the budget, as well as anticipated appropriation savings) during the Council's second meeting in May. Copies of the proposed budget were then made public. The public was informed through a news release and social media about opportunities to comment. During the Council meeting, a public hearing is held prior to the formal budget adoption by the City Council.

After the City Council adopts the budget, staff brings forward personnel-related resolutions for City Council's consideration. These resolutions address and put into practice all personnel-related actions associated with the 2024-26 Biennial Budget.

A month after the budget is adopted, the Budget Review Team holds a critique meeting to discuss the budget process. The purpose of this meeting is to determine what budget preparation and process worked well and what could have been done better.

The two-year budget allows time to effectively integrate goal setting and policy-making processes, with the establishment of performance targets and the allocation of resources. Short-term program and service objectives are developed, and resources to meet these objectives are appropriately allocated through the budget process. To complete the cycle, performance measures are used to evaluate if services were effective and policy goals met.

Before the second year of the two-year cycle, the City Manager and City Council will review progress on the pre-established goals during the first year of the budget cycle, adjust as necessary, and authorize amendments to the second year of the 2024-26 budget.

The City Council has the authority to amend the budget by motion during the two-year period, while the City Manager is authorized to transfer the budgeted funds among departments or functions within the same fund without seeking approval from the City Council. However, any revisions altering the total balance must be approved by the City Council. This is explained in more detail in the Financial Policies in the Appendices. Further, the City Manager is authorized to approve emergency purchases of less than $100,000; emergency procurements above that threshold must be ratified by a majority vote of the City Council.

City of Santa Maria | Santa Maria Smart City Safe City	**KEY DATES IN THE BUDGET PREPARATION PROCESS**
October 2023	Capital, Maintenance & Equipment Project Development
November 2023	Department Director Forum to Discuss City Priorities

December 2023	Budget Instructions distributed to departments
February 18	City Council Goal Setting Session for the 2024-25 Budget Development
March – April	Budget Team compiles departmental requests and compiles Proposed Budget
May 21	City Council reviewed Preliminary FY 2024-26 Budget Presentation at a public hearing, including citywide proposed budget, significant budget changes, and Capital Improvement Program.
June 3	Special Meeting held to respond to City Council questions regarding the Proposed FY 2024-26 Budget
June 18	Public Hearing and City Council adoption of the Final Budget

GUIDING BUDGET PRINCIPLES

The City is committed to preserving services and finding additional efficiencies to enhance the City's fiscal health work toward achievement of its strategic initiatives. To this end, the City applied four guiding principles during the development of the 2024-26 budget.

FINANCIAL ACCURACY

Executive management sees a comprehensive data collection and analysis effort to achieve accurate financial targets and projections as a core tenet, essential for the City's future fiscal foundation. During the development of the Budget, City staff performed a comprehensive analysis of past performance, collected relevant data from internal and external sources, consulted subject matter experts, and used this data to produce well-informed projections for the budget document and plans.

FINANCIAL RESPONSIBILITY AND DISCIPLINE

Financial responsibility requires acknowledging and fully disclosing the City's critical funding requirements. Fiscal discipline demands City departments operate within their budget. Management action calls for timely recommendations to City Council to address any financial issues confronting the City. Each of these aspects of financial responsibility and discipline was applied during the budget development process.

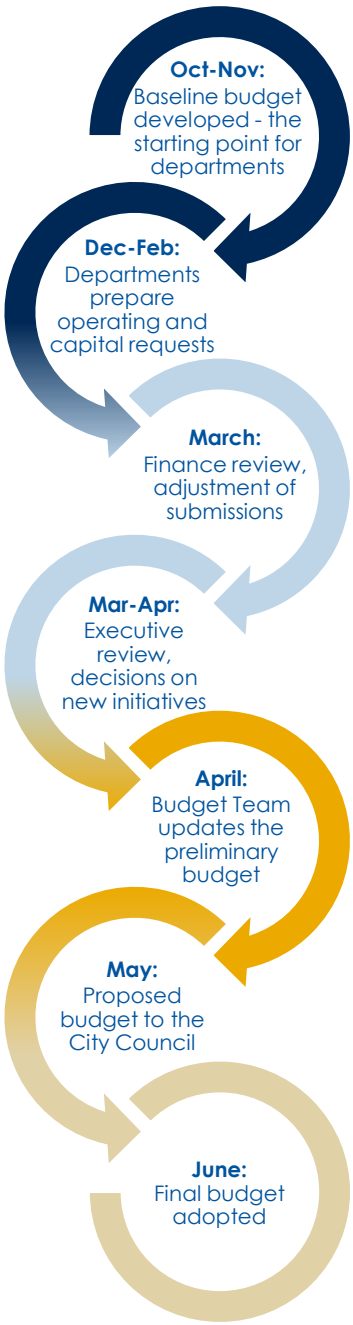
MAINTAINING ESSENTIAL SERVICES AND INFRASTRUCTURE

The City will find ways to address the challenges in funding its existing programs and services and identify revenues for the critical needs that have been unfunded for years, including repair, maintenance and replacement of our buildings, roads and sidewalks, streetlights, and fleet, such as first responder vehicles. This tenet was applied extensively during the development of the budget; city leadership applied budget strategies that will have the least, or no, impact on City services and infrastructure. Additionally, Measure U has provided a revenue source for many of these needs. City departments continue to suggest ideas for new revenue generation.

DEVELOPMENT OF A PRELIMINARY BUDGET

FINANCE DEPARTMENT

The budget process begins in the Finance Department in October 2023, with the preparation of baseline revenue and expenditure assumptions. A comprehensive analysis of past revenue performance, the current economic environment, and other contributing factors is performed to develop revenue projections and determine available resources for the upcoming budget cycle. Personnel assumptions are the primary focus of the Finance Department at this stage, with a comprehensive assessment of the impact of current or anticipated employee Memorandums of Understanding (MOU). Other known costs, such as debt obligations and self-insurance funding requirements are also projected, to arrive at a baseline budget.



CITY DEPARTMENTS

In December 2023, City departments attend a budget kickoff meeting where they receive the budget development calendar, a summary of the baseline budget, and direction on balancing measures, if applicable. The baseline budget represents the amount of funding available to maintain programs and current service levels and make progress toward achieving the City Council's Priorities. During the months of December through February, departments define budgetary needs in relation to services, programs, and related strategic goals. Departments apply balancing measures using the criteria provided by City leadership. Departments also identify capital projects and funding sources for those projects during this time. Internal review of department budget submissions takes place in March, with the Finance Department recommending adjustments and providing guidance on each City department's budget submissions.

DEVELOPMENT OF A PROPOSED BUDGET AND FIVE-YEAR FINANCIAL PLANS

Internal budget workshops take place in March 2024 to discuss and select new funding initiatives, with consideration of the priorities defined by the City Council. During this timeframe, the City Manager's Office and Finance Department review departments' critical unfunded needs and work to identify potential funding sources, such as Measure U. April and May are spent updating the preliminary budget.

The Departments' proposed budgets are presented at a Council workshop in May or June. At this public meeting, Councilmembers, and the public, gain an in-depth view into each City department's operations and fiscal challenges. The City Council may ask questions and recommend changes to the proposed budget. Public participation is encouraged during this meeting. Subsequently, feedback from all public meetings is incorporated into the budget to produce the budget as adopted by the City Council.

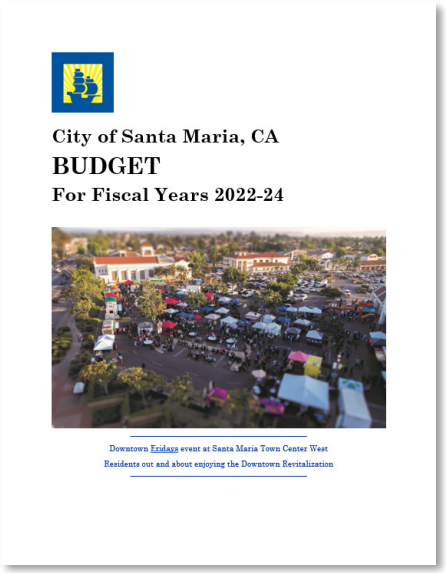
PROPOSED BUDGET SUBMISSION TO CITY COUNCIL

The Municipal Code requires that the City Manager provide City Council with a written proposed budget together with a message describing the important features. The Proposed Budget represents the culmination of the preliminary budget presentations to produce a Proposed Budget. In May, the

Proposed Budget is presented to the City Council. A Public Hearing is scheduled for a meeting in June and public notice is provided at least fifteen days before the hearing as required. Copies of the proposed budget are made available for inspection by the public in the City Clerk's Office and on the City's publicly accessible website.

BUDGET ADOPTION BY CITY COUNCIL

As required by state law, the City Council will adopt the City's budget no later than June 30 of the fiscal year preceding the budget submitted for approval. The final budget submitted to the Council will be inclusive of all changes requested by the Council during the presentation of the proposed budget. The budget becomes effective July 1.


City of Santa Maria, CA
BUDGET
For Fiscal Years 2022-24
Downtown Fridays event at Santa Maria Town Center West
Residents out and about enjoying the Downtown Revitalization

MID-CYCLE BUDGET REVIEW / QUARTERLY REPORTS

The City Manager keeps the City Council advised of the financial condition and future needs of the City and makes such recommendations as may seem desirable during the Mid-Cycle Budget Review. To accomplish this, the City Manager presents a Mid-Cycle Budget Update in June of the second year of a biennial budget cycle. This update includes necessary adjustments to the operating budget and personnel details that have been identified by staff since the adoption of the Biennial Budget. For all budgets adopted, whether annual or biennial, quarterly fiscal updates are presented to the City Council to keep City leadership and the public apprised of the City's financial condition throughout the budget period. The quarterly updates include recommended budget adjustments and fiscal strategies as needed to respond to the current fiscal state of the City.

ADJUSTMENTS TO THE ADOPTED BUDGET

The City Council may amend or supplement the adopted budget with the affirmative vote of at least three members. The City Manager is authorized to transfer the budgeted funds among departments or functions within the same fund without seeking approval from the City Council. However, any revisions altering the total balance must be approved by the City Council. This is explained in more detail in the Financial Policies in the Appendices. Further, the City Manager is authorized to approve emergency purchases of less than $100,000; emergency procurements above that threshold must be ratified by a majority vote of the City Council. Through City Council adoption of the budget resolution, the City Manager is authorized to take all necessary actions to implement the provisions of the said budget, including future adjustments to the budget for unanticipated expenditures offset by revenues, transfers of budget amounts within a Fund, and any other adjustments approved by the City Council before the adoption of the budget resolution, and approving change order requests for City Council approved projects. City Council approval is required for all transfers from unappropriated fund balances or fund balance contingency reserves.

BASIS OF BUDGETING: ACCOUNTING VERSUS BUDGETARY BASIS

Governmental funds are used to account for the government's general governmental activities. Governmental fund types use the flow of current financial resources and the modified accrual basis of accounting. This means that revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Revenues are recorded when received in cash, except for revenues subject to accrual (generally 60 days after fiscal year-end) are recognized when due. Property taxes, charges for services, and interest

associated with the current fiscal period are all considered susceptible to accrual and as such have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is susceptible to accrual as revenue of the current period. All other revenue items are measurable and available when received by the government.

Expenditures are recorded when liabilities are incurred, as under accrual accounting except that principal and interest payments on long-term debt as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. The accrual basis of accounting is utilized by all Enterprise and Internal Service Funds. This means that revenues are recorded when earned and that expenses are recorded at the time liabilities are incurred. Effective fiscal control for debt service funds is achieved through bond indenture provisions and other management controls.

Budgetary accounting is a management tool to assist in controlling expenditures. Budgetary accounting is an important control tool because the annual budget is a legal compliance standard against which the operations of all funds are evaluated. While budgets are prepared for City capital project funds, capital projects generally span more than one year and are effectively controlled at the project level. The City adopts legal budgets for the General Fund and all special revenue funds.

Budgetary accounts include appropriation, encumbrances, and estimated revenues. Appropriations are the authorizations granted by the City Council to make expenditures or incur obligations for specific programs. Appropriations are made by the specific program and fund type. Encumbrances reserve a portion of an appropriation representing a current fiscal year obligation that has not been paid, or commitments related to unperformed contracts for goods and services. Estimated revenues are the anticipated resources the City expects to receive from various funding sources throughout the fiscal year.

Appropriations remaining at the end of the first year are eligible to be carried forward to the second year. All appropriations lapse at the end of the two years to the extent that the appropriations have not been expended or encumbered. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve that portion of applicable appropriations, is employed as an extension of formal budgetary integration in the governmental fund types. Lease contracts entered into by the City are subject to annual review by the City Council; hence, lease contracts are legally one-year contracts with an option for renewal for another fiscal year.

The City's basis for budgeting is consistent with accounting principles generally accepted in the United States of America and with the City's financial statements as presented in the Annual Comprehensive Financial Report (ACFR). Exceptions are as follows:

- Capital expenditures within the Enterprise Funds and Internal Service Funds are recorded as assets on an accounting basis but are shown as expenditures on a budgetary basis.
- Depreciation of capital assets and amortization of various deferred charges are recorded on an accounting basis only. These charges are not reflected in the budget document.
- Principal payments on long-term debt within the Enterprise Funds and Internal Service Funds are applied to the outstanding liability on an accounting basis but are shown as expenditures on a budgetary basis.
- Continued/Carryover appropriations represent previously budgeted funds unexpended at the end of the applicable budget period. Carryover requests are added to the City's current budget period but are not included in the budget document or original budget submission to City Council.
- Certain funding such as grant funding, are not included in the budget document; these items are appropriated as needed throughout the fiscal year with approval from City Council.

COST ACCOUNTING

Cost accounting is the process of tracking, recording, analyzing, and allocating costs associated with activities provided by the City, which benefits multiple funds and departments within the City. The City incurs direct and indirect costs through the provision of City services and programs. The City recovers the costs of City central administrative and support activities (central services) through the development and application of indirect cost rates. The City also uses Internal Service Funds to allocate costs for services such as Fleet Services, Business, Communication and Telephone Equipment, and Insurance Services through rental rates.

COST ALLOCATION PLAN

The Cost Allocation Plan (CAP) facilitates the allocation of General Fund administrative service costs to the departments, programs, or funds that receive benefit from the services. For example, the budgets for internal service departments (such as Human Resources) are allocated to public service departments (such as the Police Department and Public Works Department). The CAP uses various statistical data and is prepared in compliance with generally accepted accounting principles (GAAP) as recognized by the Governmental Accounting Standards Board (GASB) to distribute identified service costs appropriately.

FINANCIAL AND BUDGET POLICIES

The financial integrity of any City is of utmost importance. A key element in maintaining this integrity is a comprehensive set of budget and financial policies to guide city action developed in compliance with the National Advisory Council on State and Local Budgeting and the Government Finance Officers Association (GFOA) recommendations. These policies promote and ensure organizational continuity, consistency, transparency, and responsibility from year to year. This section identifies some of the fiscal management tools that the City of Santa Maria uses to guarantee fiscal and programmatic integrity and to guide the development of the City's budget. The Budget and Financial Policies are and may be periodically amended and are included in the Appendices.

SUMMARY

The adoption of a budget is one of the most important actions taken by the City Council, as the budget establishes the City's priorities and goals. The budget determines how resources are assigned to the goals, objectives, and priorities set forth by the City Council. The budget is the financial work plan translated into appropriations and supported by revenues. The following policies guide the development and management of the budget.

BUDGET POLICIES

The City uses a two-year financial plan, emphasizing long-range planning and effective program management. The City began preparing a two-year budget with the development of the 1986-88 Two-Year Budget. Preparing a two-year budget reinforces the importance of long-range planning, promotes more orderly spending patterns, and significantly reduces the amount of time and resources allocated to preparing annual budgets.

The City Council adopts a two-year budget that consists of two, one-year budgets. This format means that each year, of the two-year budget, is a separate spending guide and those unused appropriations will lapse at the end of the first fiscal year unless specifically carried forward into the second fiscal year. All unexpended appropriations lapse at the end of the two-year fiscal year period unless encumbered. Lease contracts entered into by the City are subject to annual appropriation by the City Council; hence the leases are legally one-fiscal year contracts with an option for renewal for another fiscal year.

BUDGET ADMINISTRATION

The City Council may amend the budget by a majority vote of the City Council at any time during the two years. The City Manager is authorized to make administrative adjustments to the budget as long as those changes do not significantly impact policy or affect budgeted year-end fund balances. Any revisions that alter the fund balance of a fund must be approved by the City Council. The level at which expenditures may not legally exceed appropriations is, therefore, established at the fund level.

MID-YEAR BUDGET REVIEW

At the end of the first budget year, a Mid-Year Budget Review is conducted and recommended budget amendments for the second budget year are presented for City Council consideration.

MEASURABLE GOALS AND OBJECTIVES

Each fiscal year, measurable program goals and objectives are developed by each City department. In addition to the publication of the Two-Year Budget, a separate document entitled "Goals and Objectives," is annually published by the City Manager's Office. The status of these goals and objectives are then formally reported, quarterly during the fiscal year, to the City Council.

QUARTERLY BUDGET REVIEWS

Reports on the City's fiscal condition are presented to the City Council four times per year. If necessary, budget amendments required to maintain ongoing operations are presented to the City Council for consideration at that time.

BALANCED BUDGET

Unless otherwise authorized by the City Council, the City strives to adopt a balanced budget whereas operating revenues are equal to, or exceed, operating expenditures during each year of the two-year budget period. Any increase in expenses, a decrease in revenues, or a combination of the two that results in a budget imbalance requires a budget revision initiated by the City Manager, rather than spending unappropriated surpluses or designated reserves to support ongoing operations. Any year-end operating surplus will revert equally to General Fund Assigned Fund Balance for Unfunded Pension Benefits, to the capital projects fund for "one-time-only" General Fund expenditures, and to Local Economic Augmentation Fund (LEAF) until the LEAF fund balance reaches 5 percent of operating General Fund and Measure U operating appropriations.

Under this policy, it is allowable for total expenditures to exceed revenues in a given year; however, in this situation, the beginning fund balance should only be used to fund capital improvement projects, or other "one-time," non-recurring expenditures.

FINANCIAL REPORTING POLICIES

ANNUAL REPORTING

The City will prepare annual financial statements following generally accepted accounting principles (GAAP) requirements. The City will contract for an annual audit to be performed by a qualified independent certified public accountant and will strive for an unqualified opinion from the independent auditors.

The City will issue a request for proposal (RFP) at least every five years to evaluate replacement of the current auditors – this is to ensure that internal controls are freshly examined. Due to the frequent lack of qualified audit firms in the public sector, the current auditors are allowed to respond to the RFP.

The City will use GAAP in preparing the annual financial statements with the intent of meeting the requirements of the GFOA's Award for Excellence in Financial Reporting Program. The City will issue audited financial statements within 180 days of the year-end date of June 30th.

INTERIM REPORTING

The City will prepare, and issue timely, interim reports on the City's fiscal status to the City Council and staff. These reports will include, but are not limited to, the following:

- Online access to the City's financial management system.
- Updated, computerized financial reports available to City departments within five working days of month-end.
- Quarterly, departmental analysis of revenues and expenditures; including a comparison of budget to actual, for revenues and expenditures, and an explanation of variances greater than five percent of major categories (Salaries, Materials, Equipment, and Contracts); with departments explaining variances, on the division level, greater than ten percent of their total budget.
- Quarterly Financial Reports to the City Council, outlining current economic conditions, the financial status of major funds, and if needed, budget amendments required to maintain ongoing operations.
- At the end of the first budget year, a Mid-Year Budget Review to assess revenues to date, projected revenues, the adequacy of the second-year budget, and identify any needed adjustments. This report recommends budget amendments to the City Council for consideration for the second-year budget.

DIVERSIFIED AND STABLE REVENUE BASE

The City seeks to maintain a diversified and stable revenue base to protect from short-term fluctuations in any one revenue source.

CURRENT REVENUES FOR CURRENT USES

The City will expend all current expenditures utilizing current revenues; and avoid procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.

INTERFUND TRANSFERS AND LOANS

In adherence to grant requirements, GAAP, and public policy goals, the City has established various special revenue, capital project, debt service, and enterprise funds to account for revenues that are restricted to certain activities. Accordingly, each fund exists as a separate financing entity from other funds, with its revenue sources, expenditures, and fund equity.

Transfers among funds for operating purposes are outlined in the two-year budget document and can only be made by the Director of Finance, following the adopted budget. These operating transfers, under which financial resources are transferred from one fund to another, are distinctly different from inter-fund borrowing, which are customarily made for temporary cash flow reasons, and are not intended to result in a transfer of financial resources by the end of the fiscal year. In summary, inter-fund transfers result in a change in fund equity; inter-fund borrowings do not, as the intent is to repay the loan in the near term.

From time to time, interfund borrowings may be appropriate; however, these are subject to the following criteria to ensure that the fiduciary purpose of the fund is met:

- The Director of Finance is authorized to approve temporary inter-fund borrowings for cash flow purposes whenever the cash flow is expected to be resolved within 45 days. The most common use of this type of inter-fund borrowing is for grant programs such as Local Law Enforcement Block Grant Funds, where costs are incurred before drawdowns are initiated and received; and the receipt of funds is typically received shortly after the request for funds was made.
- Other inter-fund borrowings, for cash flow or other purposes, are dealt with by a case-by-case review by the Director of Finance.

REVENUE MANAGEMENT POLICIES

REVENUE DISTRIBUTION

The City Council recognizes that GAAP, for State and local governments, discourages the "earmarking" of General Fund revenues. Though there may be occasions when specific revenue may be needed to fund an activity, the practice of designating General Fund revenues for specific programs should be minimized in the City's management of its fiscal affairs. Approval of the following revenue distribution policies does not prevent the City Council from directing General Fund resources to other functions and programs, as necessary.

- **Property Taxes:** With the passage of Proposition 13 in 1978, California cities cannot set individual property tax rates. In addition to limiting annual increases in market value, placing a ceiling on voter-approved indebtedness, and redefining assessed valuations, Proposition 13 established a maximum County-wide levy for general revenue purposes of one percent of market value. Subsequent State legislation adopted formulas for the distribution of a County-wide levy of property taxes. The City now receives a percentage of total property tax revenues collected County-wide as determined by the County Auditor-Controller. General property tax remitted from the County is deposited into the General Fund as discretionary revenue.
- **Gasoline Tax Subventions:** All gasoline tax revenues restricted by the State for street-related purposes will be used for maintenance activities. Because the City's total expenditures for gas tax eligible programs and projects are much greater than this revenue source, operating transfers will be made between the Gas Tax fund and the General Fund. This approach significantly reduces the accounting efforts required in meeting State reporting requirements.
- **Transportation Development Act (TDA) Revenues:** TDA revenues are allocated to transportation programs, including regional and municipal transit systems, pedestrian and bikeway improvements, and street and road construction.
- **Proposition 218:** According to the terms of Proposition 218 passed by the voters in November 1996, tax revenues cannot be initiated or increased without a majority vote of the populace. Therefore, the City property tax, sales tax, business license tax, and transient occupancy tax revenues cannot be increased without a community vote.

COST RECOVERY POLICY

USER FEES POLICY

The City imposes fees and charges to users for City services, goods, and permits. These fees and charges can be set at 100 percent of full cost or be subsidized by City funds. In adoption of fees, it must be found that fees and charges do not exceed the City's costs of providing the service or processing work. User fees and charges will be adjusted biannually to recover the full cost of services provided, unless City Council determines that a subsidy from the General Fund (or any other fund) is in the public's best interest.

According to the standards established by Government Finance Officers Association (GFOA) and National Advisory Council on State and Local Budgeting (NACSLB) and their best practice guidelines, governments should calculate the full cost of the different services they provide. For instance, GFOA recommends a formal fee policy that should identify factors to be considered when pricing services.

Factors to be Considered When Setting Fees and Charges, and Cost Recovery Levels:

- Consider community-wide versus special service nature of the program or activity. The use of general purpose (tax) revenue is appropriate for community-wide services, while user fees at full cost are appropriate for services which are of special benefit to easily identified individuals or groups.
- The full cost of providing a service should be calculated to provide a basis for setting the charge or fee. Full costs shall include the following elements: direct labor, fringe benefits, equipment, materials, contract services, utilities, and cost allocation of indirect expenses,

including legislative and central service costs.

- Fees and charges, in the absence of a specific public policy exception, should be set at full cost recovery.
- Public policy exceptions can occur due to the nature of the program or activity.

DEVELOPMENT IMPACT FEES

The Council's policy is that to the extent reasonable, growth should pay for itself. As such, the Council has adopted a schedule of development impact fees. Development impact fees are one-time charges assessed against new customers to recover their proportional share of capital costs incurred to provide service capacity for new customers. Developer contributed assets will be considered for credits against the impact fee based on a modeled value. Appropriate development fees are an important component in the overall strategy for financing capital improvements.

The city's objectives for development impact fees shall include the following:

- Support the reasonable cost of growth.
- Consider the impact of growth on existing residents.
- Develop cost justified development fees.
- Address infrastructure requirements.
- Promote economic development.
- Provide financial capacity.

Development impact fees may be assessed for a public purpose such as:

- Libraries
- Parks, recreation facilities, trails and open space
- Law enforcement
- Fire protection
- General government
- Transportation
- Water
- Water resources
- Wastewater
- Solid Waste

DEBT POLICIES

The City's debt management policy requires full disclosure of all financial reports. The City's practice is to pay for capital projects and capital improvements on a pay-as-you-go basis using current revenues whenever possible. If a project or improvement cannot be financed with current revenues, long-term debt will be considered. The City will consider refinancing outstanding debt after comparing the cost of refinancing with the savings from reduced interest expense. Every effort will be made to limit the amount of general obligation debt. All general obligation debt will be used only for public purposes.

The following are those factors the City will take into consideration when incurring debt:

- The City will adhere to its debt covenants.
- The City will periodically review its debt capacity.
- The City will issue bonds only for capital improvements and general obligations. Long-term debt will not be used to fund operating activities.
- The City will publish and distribute an official statement for each bond and rate issue.
- The City will not issue long-term debt with a maturity longer than the useful life of the project or item funded.

- If the City utilizes long-term debt financing, staff will ensure that the debt is soundly financed by determining that the cost/benefit ratio of the improvement is positive, and the revenue sources used to repay the debt are conservatively projected.
- Where possible and feasible, the City will use special assessment, revenue, or other self-supporting bonds and avoid the use of general obligation debt.
- The City will maintain solid relationships and communications with bond rating agencies and will strive for improvements in the City's bond rating.

The purpose of the City's Debt Management Policy is to promote sound and uniform practices for issuing and managing bonds and other forms of indebtedness, to provide guidance to decision-makers regarding the appropriate use of debt and other repayment obligations of the City, and to comply with Government Code section 8855(i), which became effective January 1, 2017. The debt policy includes the following:

- The purpose for which the debt proceeds may be used;
- The types of debt that may be issued;
- The relationship of the debt to and integration with the City's capital improvement program or budget;
- Policy goals related to the City's planning goals and objectives; and
- Internal control procedures that the City has implemented to ensure that the proceeds of the debt issuance will be directed to the intended purpose.

The City's practice is to pay for capital projects and capital improvements on a pay-as-you-go basis using current revenues whenever possible. If a project or improvement cannot be financed with current revenues, long-term debt will be considered. The City will consider refinancing outstanding debt after comparing the cost of refinancing with the savings from reduced interest expense. Every effort will be made to limit the amount of general obligation debt.

DEBT LIMIT

Section 43605 of the State Government Code provides a legal debt limit of 15 percent of gross assessed valuation. This provision, however, was enacted when assessed valuation was established based on 25 percent of market value. Effective with fiscal year 1981-82, taxable property is assessed at 100 percent of market value. Although the State debt limit provision has not been amended since this change, the percentage has been proportionately modified to 3.75 percent for the purpose of this calculation for consistency with the original intent of the debt limit.

DEBT LIMIT	
Gross Assessed Valuation	$ 11,653,012,805
Legal Debt Limit – 3.75 Percent of Gross Valuation	$ 436,987,980
General Obligation Bonded Debt	0
Other Long-Term Debt:	
Revenue Bonds and Other Long-Term Debt	1,736,611
Less Deduction Allowed by Law	0
Total Debt Applicable to Computed Limit	0
Legal Debt Margin	**$ 435,251,369**

FUND BALANCE RESERVES

BACKGROUND

To protect City operations from downturns in the economy, State reductions of local revenues, natural or man-made disasters, and the City's creditworthiness, the City Council desires that the City maintains specific fund balance levels for the General and Enterprise Funds. These minimum balances will adequately provide for cash flow requirements and provide a contingency for unanticipated operating or capital needs.

MINIMUM BALANCES

- **General Fund:** The City's General Fund will endeavor to maintain a minimum unassigned fund balance of at least 25 percent of operating appropriations. These reserves are needed to insulate the General Fund programs and current service levels from large and unanticipated one-time expenditure requirements, a revenue reduction due to a change in State or Federal legislation, and other unforeseen circumstances.

  In 2010-22, the City adopted a General Fund Prudent Reserve under GASB Statement Number 54. The prudent reserve amount is updated annually calculated based on 25 percent of operating appropriation. Appropriations from the reserve can only be made by formal City Council action and are limited to emergencies such as:

  - An unplanned, major event such as a catastrophic disaster requiring expenditures over five percent of the adopted General Fund Budget.
  - Budgeted revenue was taken over by another entity.
  - A drop in projected/actual revenue of more than five percent of the adopted General Fund revenue budget.

  Should the prudent reserve commitment be used, and its level falls below the minimum amount as described herein, the goal is to replenish the fund within two fiscal years.

- **Enterprise Funds:** The Enterprise Funds of Water Resources, Solid Waste, and Transit will endeavor to fund and maintain a minimum working capital balance of 20 percent of operating appropriations.

- **Vehicle and Equipment Replacement Funds:** The City maintains three "Internal Service Funds" to provide for the timely replacement of vehicles and related equipment, business equipment, and communication equipment. The City will endeavor to maintain a minimum fund balance in each of these funds equal to 20 percent of the original purchase cost of the items accounted for in the fund.

  As an Internal Service Fund, revenues are received by charging the other City funds utilizing vehicle and related equipment, business equipment, and communication equipment. The annual contribution to this fund will be based on a use allowance. The use allowance is calculated by the original cost of the item plus a four percent cost growth, divided by the estimated life of the vehicle or equipment. Also, funds are charged for actual incurred maintenance costs plus overhead.

LIABILITY AND WORKERS' COMPENSATION FUNDS

The City will perform annual actuarial studies for the Liability and Worker's Compensation funds and will fund the Liability Insurance fund at the 80 percent confidence level and the Worker's Compensation Fund at the 90 percent confidence level.

As prudent, based on cost and benefit analysis, the City may elect to self-insure certain assets. The City will review funding levels for self-insured assets on an annual basis and set-aside appropriated reserves to replenish assets throughout the year. The funds will be set-aside as reserves within the respective operating or internal insurance funds.

LOCAL ECONOMIC AUGMENTATION FUND

The Local Economic Augmentation Fund is a reserve fund established in 2000-01 to be used as the primary financing mechanism to address any potential revenue shortfalls during times of economic downturns or severe State action, so as not to significantly impact the operating budget and service levels of the General Fund. The City Council set aside General Fund proceeds into this account. The intent of this fund is to be used as a "gap financing" mechanism during downturns in the local economy. The City will strive to maintain 5 percent of General Fund and Measure U fund annual appropriations in the LEAF fund balance.

APPROPRIATIONS LIMITATION

BACKGROUND

Proposition 4 (Gann Initiative) requires that all local governments calculate and report the annual appropriations limits, i.e., the maximum appropriation, allowed by law, that the municipality may spend. Article XIII-B of the State Constitution Senate Bill 1352, passed in August 1980, requires each local government to establish, by resolution, an annual appropriations limit. In June 1990, the voters of the State of California approved Proposition 111, which subsequently modified the adjustment formula.

Under Proposition 4, if a local government ends the fiscal year with more proceeds of taxes than the appropriations limit allows, the municipality is required to return the excess to the taxpayers within two years (by reducing taxes or fees). Municipalities may use those two years to request voters to approve an override increasing the appropriations limit.

REPORTING REQUIREMENTS

- Annually, in July, the City Council will adopt a resolution establishing the City's appropriations limit calculated following Article XIII-B of the Constitution of the State of California, Section 7900 of the State of California Government Code, and any other voter-approved amendments or State legislation that affect the City's appropriations limit.
- The supporting documentation used in calculating the City's appropriations limit and, projected appropriations subject to the limit, will be available for public and City Council review at least 10 days before City Council's consideration of a resolution to adopt an appropriations limit. The City Council will generally consider this resolution in connection with the final approval of the budget.
- The City will strive to develop revenue sources, new and existing, which are considered non-tax proceeds in calculating its appropriations subject to limitations.
- The City will actively support legislation or initiatives sponsored or approved by the League of California Cities that would modify Article XIII-B of the Constitution in a manner that allows the City to retain projected tax revenues that result from growth in the local economy for use as determined by the City Council.
- The City will seek voter approval to amend the appropriations limit if the tax proceeds are more than allowable limits.

CAPITAL MAINTENANCE EQUIPMENT PROJECT

OTHER DESIGNATIONS AND RESERVES

In addition to the designations noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years, which are carried forward into the new year; debt service reserve requirements; reserves for encumbrances; and other reserves or designation required by contractual obligations, State law, or GAAP requirements. Appropriations for projects approved in prior years will be carried forward administratively unless a project has not commenced within two years from the original funding approval date.

CAPITAL MAINTENANCE EQUIPMENT PROJECT (CMEP) PURPOSE

The purpose of the CMEP is to systematically plan, schedule, budget, and finance capital projects to ensure cost-effectiveness and efficiency of construction.

General Fund CMEPs will be budgeted in the General Fund Capital Projects Fund, while Enterprise and Internal Service Fund CMEPs will be budgeted in the individual funds.

The CMEP is a four-year plan organized into the same functional groupings used for the operating programs. Because the four-year plan is a planning tool rather than a budgeting tool, only two years of CMEPs are reported in the two-year Capital Project section of the budget. The CMEP, reported in the two-year budget, reports the responsible fund, the year funding will be appropriated, funding sources, and totals by category (Public Safety, Public Utilities, Public Ways and Facilities, etc.).

CMEP - $5,000 OR MORE

Construction projects and equipment purchases, that cost $5,000 or more, will be included in the Capital Projects section of the budget; while minor capital outlays of less than $5,000 will be included within the operating program budgets.

CMEP REVIEW

The City Manager's Office, in combination with the Public Works and Finance Departments, will review the project proposals and determine a listing of projects for the two-year budget document. CMEP projects that were approved in the prior budget but that did not start by the end of the calendar year are ineligible for carryover to the new budget.

DEFINITIONS

The following definitions are provided to clarify the difference between a capital project (outlay) and a capital/maintenance equipment project.

- **Capital Outlay:** A capital project must include one or more of the following:
    - Betterment: The replacement of an asset, by an improved or superior asset, results in a productive, efficient, and long-lived property. Betterment is considered capital outlay when the amount expended is "significant," generally 20 percent or greater than the market value of the assets.
    - Addition: Attached or separate units, which are extensions of an existing unit.
    - Acquisition, Construction, Rights-of-Way, etc.: The acquisition of new tangible assets, which are generally classified as land, structures, and improvements.
- **Maintenance:** An expenditure for repair or alteration to a facility, which neither materially adds to the value of the facility nor appreciably prolongs its life.
- **Capital Equipment:** The acquisition of capital equipment that is classified as Fixed Assets. Generally, the equipment is valued at $5,000 or more plus any computers, communications, or technical equipment that attach to the City's network are classed as fixed assets. Other equipment under $5,000 may be acquired from operating funds.
- **CMEP Appropriation:** Departmental requests for Capital/Maintenance Equipment Project funding are reviewed against the following criteria:
    - Are additional funds needed to complete projects in progress;
    - Is the project required to meet a legal or policy mandate;
    - Is the project required to improve unacceptable health and/or safety conditions;
    - Is the project required to maintain existing facilities or assets;
    - Is the project required to maintain existing service levels;
    - Will the project reduce other City costs;

- Will the project enhance and maximize operational efficiencies?

Generally, project appropriations are made when the two-year budget is approved. If project costs at the time of bid award are less than the budgeted amount, the balance will be unappropriated and returned to the fund balance or, with the approval of the City Manager, allocated to another project. If project costs at the time of bid award are greater than budget amounts, the following options are available:

- Eliminate the project from the CMEP listing;
- Defer the project for consideration to the next budget period;
- Redesign or change the phase of the project to meet the existing budget;
- Transfer funding from another specified lower priority project;
- Request City Council approval to appropriate additional resources from fund balance.

- **Budget Carryover:** To ensure that appropriations for uncompleted capital projects, grants, and professional services, from the fiscal year that is being closed, are available in the new fiscal year, departments follow a carry-over process. This process requires a departmental review of appropriations and expenditures as of the last day of the fiscal year; identification of purchase orders rolled over to the new fiscal year; determination of uncompleted grants, contracts, and capital projects.

  The project appropriations will be reviewed biennially through the budget development process and any modifications for appropriations will be reviewed through the budget adoption.

  Carry-over budget amounts are unused appropriations in the previous fiscal year and additions to the new fiscal year budget. These are grants, agreements, or projects that received City Council approval, but purchase orders were not issued nor were the projects/contracts/grants completed at year-end. Qualifying carry-over appropriations are requests for bids, requests for proposals, grants spanning multiple fiscal years, and approved uncompleted capital projects.

  Before any budget carryover departments submit a listing of the unused appropriations/budget carryover request to the Department of Finance for consideration and recommendation to the City Manager's Office.

CONTRACT SERVICES POLICY

GENERAL POLICY GUIDELINES

- **Purpose:** Contracting with the private sector, for the delivery of services, provides the City with a significant opportunity for cost containment and productivity increases. In some instances, the City uses private sector resources in delivering municipal services as a key element in the City's continuing efforts to provide cost-effective programs.
- **Types:** The City uses private sector contracting for construction projects, professional services, outside employment agencies, and other ongoing operating and maintenance services.
- **Purchasing Policy:** All contracts will be executed in accordance with the City's Council approved Purchasing Policy.
- **Evaluating Costs:** Indirect, direct, and contract administration costs of the City are to be identified and considered when evaluating and comparing the costs of private sector contracts with in-house services.
- **Contract Change-Orders:** When circumstances dictate that it is in the best interests of the City for cost-efficiency purposes to deliver a project or to provide unanticipated like services within current appropriation authority, contract change orders may be executed. Contract change orders, for like services, often take advantage of economies of scale, cost-effectiveness, or may be desirable when time is of the essence. Contract change-order funding must be available within the existing

budgeted authority, supported by proper justification, and approved by the City Manager on a case-by-case basis.

- **Conversion to Contract Services:** Programs and activities that are currently provided by City employees may be converted to contract services when attrition, reassignment, or absorption of City staff occurs. However, such conversion would not happen until the proper notification requirements are made to the affected employees.
- **Evaluation Criteria:** The cost-effectiveness of using contract services to meet established service levels will be evaluated using the general policy guidelines stated above and, on a case-by-case basis using the following criteria:
    - Available Vendors: Is there a sufficient private sector market that can competitively deliver the service and offer a reasonable choice of alternative service providers?
    - Contract Administration: Can the contract be effectively and efficiently administered by City staff?
    - Contract Provisions: Can the contract contain provisions to compensate the City for damages should the contractor fail to perform?
    - Staffing Levels: Can a private-sector contractor respond to expansions, contractions, or other special requirements of the service by rapidly adjusting staffing levels?
    - Scope of Work: Can the scope of work be sufficiently defined to ensure that competing proposals are fairly and fully evaluated, and can the contractor's performance be fairly evaluated after the bid award?
    - Service Levels: Does the use of contract services provide the City with an opportunity to redefine service levels?
    - Emergency Services: Will the contract limit the City's ability to deliver emergency or other high-priority services?
    - Accountability and Responsibility: Overall, can the City successfully delegate the performance of the service and still retain accountability and responsibility for the service delivery?

SIX-YEAR FINANCIAL PLANS

City of Santa Maria

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OVERVIEW

Multi-year financial planning provides the City Council, City staff, and the public with greater certainty regarding the ongoing funding and staffing for programs and services. During the development of long-term financial plans, the City identifies factors (known or anticipated) that may have a significant effect on future revenues, expenditures, or staffing levels. The analysis is based on past city revenue and expenditure trends, general and relevant economic trends and outlooks, input from City departments who oversee those specific expenditure and revenue streams, and consultation with outside economists and revenue experts.

REVENUE AND EXPENDITURE FORECASTING METHODOLOGY

Citywide revenues and expenditures are projected using two forecasting techniques: qualitative analysis and quantitative analysis.

Qualitative analysis projects future revenues and/or expenditures using non-statistical techniques. These techniques rely on human judgment rather than statistical analysis to arrive at revenue projections. Qualitative forecasting is essential for projecting revenue or expenditure components that are unstable, volatile, or for which there is limited historical information.

The projection of revenues is not simply a calculation but is rather an estimation based on current revenues and key revenue assumptions, such as population growth, changes in the consumer price index, and other economic growth factors. The City paid close attention to the two major revenue sources controlled by the State of California, sales tax and property tax (which includes the property tax in lieu of motor vehicle license fees) because these two revenues represent approximately 67 percent of the City's General Fund (including Measure U) revenues. The estimates of these two revenues are done in conjunction with the assistance of the City's sales tax and property tax auditors, as well as considering many economic factors.

The City relied on a variety of information to guide the development of revenue projections. The City studied economic trends reported by the national media; California economic information developed by the State Legislative Analyst and the State Department of Finance; County of Santa Barbara forecasts by the Assessor and Auditor-Controller; and outside perspective from financial experts. The City contracts with Hinderliter, de Llamas, and Associates (HdL) to provide sales and use tax allocation audits and information services.

Staff developed revenue estimates based on trends and forecasts available as of early December 2023. These estimates consider the City's local economy, the City's current revenue, and a realistic estimate of what the future holds. Staff also evaluated recent commercial construction projects bringing new retail stores to the community. Ultimately, 2024-26 revenue projections reflect the staff's best judgment about local economic trends over the next two years and the effect on City revenues.

Quantitative analysis involves looking at data to understand historical trends and causal relationships. One kind of quantitative analysis is time series analysis; it is based on data which has been collected over time and can be shown chronologically on graphs. When using time series techniques, the forecaster is especially interested in seasonal fluctuations which occur within a year, the nature of multiyear cycles, and the nature of any possible long-run trends. Causal analysis is another type of quantitative analysis; it deals with the historical interrelationships between two or more variables. One or more predictors influence, directly or indirectly, the future revenue or expenditures (e.g., the effect of transient occupancy tax revenue on sales tax revenue).

GENERAL ASSUMPTIONS

The national economy is experiencing historically high employment, moderate but sticky inflation, and record housing prices despite higher mortgage rates and soaring healthcare costs and insurance premiums. There are signs that the national economy is slowing, and that will affect California's economy.

The economy grew slowly in the first quarter of 2024, at a 1.3 percent annualized rate, much slower than the 3.4 percent rate for the final three months of 2023. This compares to 2.2 percent in the first quarter of 2022. This leave output below the 1.8 percent rate that officials at the Federal Reserve sees as its longer-run, noninflationary potential.

The employment rate has stayed below 4 percent for 27 months through May 2024, a streak only exceeded during the 1950s. High demand for workers since the economy began to recover from the pandemic has kept widespread layoffs at bay since 2022.

A measure of inflation during the first quarter was revised down to 3.3 percent from 3.4 percent, the strongest quarterly price-pressure growth in a year. After easing through much of last year, measures of inflation came in higher than expected to start 2024, driving Federal Reserve policymakers to push back expectations for when they will be able to pivot to interest rate cuts.

Inflation also hits businesses and the public sector, increasing the costs of providing services and eating deeper into budgets. It is one of the reasons why the State budget is suffering a multi-billion-dollar deficit, and why many cities, counties and school districts are struggling to balance their budgets.

California's economy has positive and negative indicators. On the plus side, the job market entered its 48th month of continuous growth in April 2024. Since April 2020, the Golden State has gained more than 3 million jobs, according to the California Employment Development Department. California is now home to the most Fortune 500 companies in the United States, with 57. This is the first time since 2014 that California is leading the country in this category.

The negative economic signs in California are the high cost of living, the highest unemployment rate of all 50 states as of May 2024, at 5.3 percent, the ongoing insurance crisis as insurers stop coverage renewals, and of course, the massive State budget deficit.

In 2024, the continued slowing of the national economy will affect California's economy, according to the UCLA Anderson Forecast. Specific sectoral weaknesses in California, as evidenced by its high unemployment rate, will contribute to this being an atypical year of slower-than-U.S. growth for the state. The following two years, though, will be characterized by more typical, higher-than-U.S. economic growth.

ENTERPRISE FUNDS

The City's Enterprise Funds account for water, wastewater, solid waste collections and disposal, and transit services. Annually, City staff determines the adequacy of the rate structures for each of these enterprises taking into account expected operations, maintenance, and capital costs.

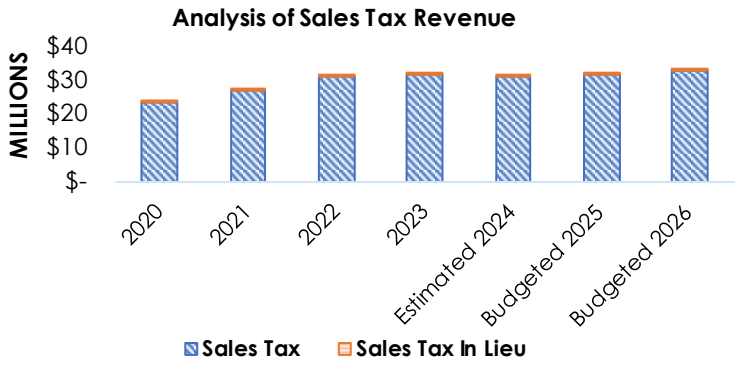
GENERAL FUND SIX-YEAR FINANCIAL PLAN

A six-year financial plan projects the fiscal health of the City's General Fund and allows policy makers and management to understand the fiscal gaps that may exist between revenue forecasts and projected expenditure requirements. The six-year General Fund financial plan provides a guide for establishing City department budget targets; these targets are used by departments to develop budget proposals that are constrained by the resources anticipated to be available in the upcoming fiscal year.

GENERAL FUND REVENUE ASSUMPTIONS

Revenue estimates for the General Fund six-year plan are prepared through an objective, analytical process based on year-to-date trends, prior years' data, and anticipated one-time adjustments. In all instances, the City provides reasonable revenue projections to prevent undue or unbalanced reliance on certain revenues and to ensure the ability to provide ongoing services. Data used to compile General Fund revenue assumptions includes, but is not limited to, communication with the business community (e.g., shopping centers, malls, and auto centers); economic data; historical revenue analysis; sales tax and economic consultants; City departments; and the County of Santa Barbara.

The following is a brief description of the City's top four General Fund revenue sources and the general assumptions used in preparing the revenue projections for the 2024-26 Budget. These four revenue sources account for approximately 78 percent of total General Fund revenues (including the local Measure U sales tax add-on). The remaining 22 percent of General Fund revenues are comprised of departmental services and program revenues, franchise fees, permits and licenses, property transfer taxes, fines and penalties, interest earnings, grants, revenues from other agencies, and other miscellaneous revenue sources.



SALES TAX

Sales tax is by far the General Fund's largest revenue source (about 49.3 percent including the local Measure U sales tax add-on), therefore, vitally important to the City's future. This source is volatile, as demonstrated by the COVID-19 outbreak. The City receives 1 percent (also known as Bradley Burns portion) of the 8.75 percent sales tax collected from retail sales occurring within the City limits. The State collects and remits the sales tax to the following benefiting agencies: 5.75 percent to the State for the General Fund and various programs, 2 percent to the City's General Fund (1 percent General Fund and 1 percent Measure U), 0.5 percent to the Local Public Safety Fund, and 0.5 percent for local and regional transportation purposes (Measure A), for a total sales tax rate of 8.75 percent.

Sales tax revenues are projected to increase to $31.9 million in 2024-25, down from $32.2 million in 2023-24. The 2025-26 projection is $32.8 million.

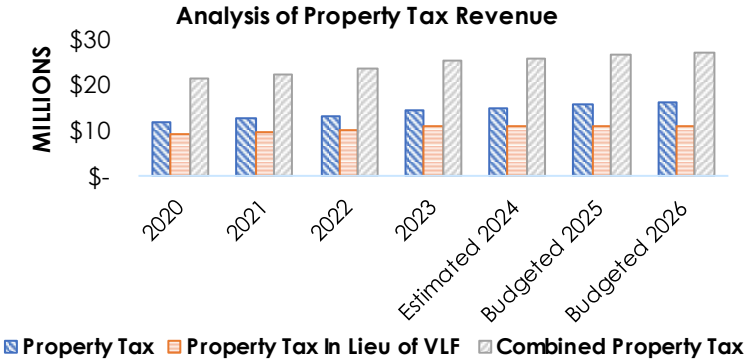
Influences on sales tax in 2024 and 2025 include high inflation passed along in the cost of goods and expected interest rate increases by the Federal Reserve, according to HdL. Foodservice, hospitality, and retail trade industries struggle to find and retain employees. Impacted by the Ukraine- Russia crisis, fuel prices remain volatile.

According to HdL, the City's sales tax consultant, calendar year 2023 saw sales in various retail sectors, including family apparel, electronics, and appliances as consumer spending shifted toward travel and entertainment. The downturn extended into business-industrial returns, paralleling the contraction of the US Purchasing Manufacturing Index from November 2022 through November 2023. Indicating a nationwide decrease in industrial activities.

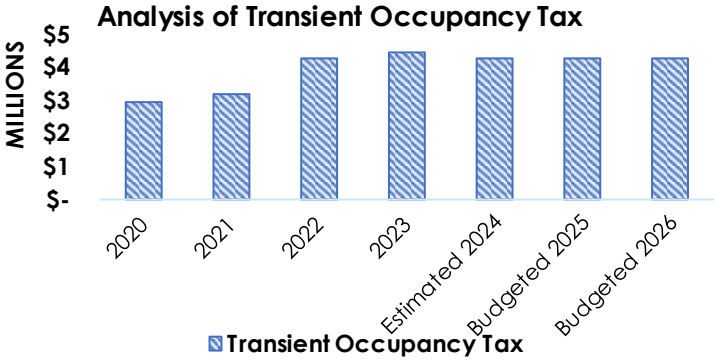
Sales tax revenue is one of the most sensitive revenue components. Economic factors can contribute to wide swings in receipts.

PROPERTY TAX

Property tax represents approximately 22.4 percent of General Fund revenues. For 2024-25 the City is projected at $26.5 million, and $27.0 million for 2025-26. Proposition 3, approved by voters Statewide in June 1978, limits general-purpose property taxes to 1 percent of market value and limits the growth of property tax assessments to 2 percent growth per year. Assessments are increased to reflect current market value when property ownership changes or improvements are made to the property; otherwise, assessed values are limited to an annual 2 percent increase.



Property tax assessment, collection, and apportionment are performed by the County. The County Assessor and Auditor-Controller is projecting an increase of 3.2 percent in property tax revenues in 2024-25.

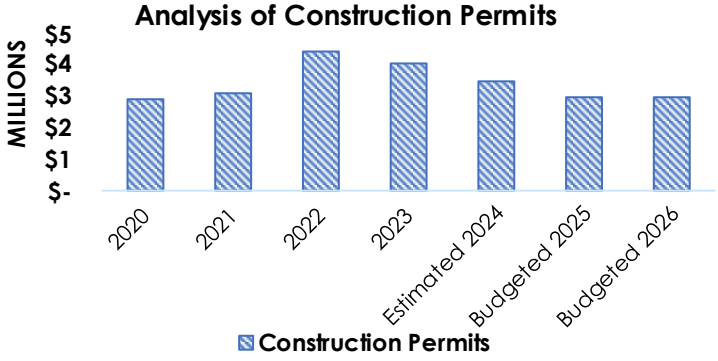


TRANSIENT OCCUPANCY TAX

Transient Occupancy Tax (TOT) revenues account for 3.6 percent of General Fund revenues. TOT is levied on individuals occupying a hotel or motel for 30 days or less. The TOT rate is assessed at 12 percent of the room rental rate (10 percent for the City, and 2 percent for the Santa Maria Valley Tourism Marketing District). Although TOT is collected for the City by the hotel/motel operators, it is a tax on the occupant, not the hotel/motel. Also, in February 2016, the Chamber of Commerce created a Tourism Improvement District with a 5-year term, and this was extended and is now known as Santa Maria Valley Tourism Marketing District. The added revenue generated from the 2 percent can only be used to facilitate increased tourism. There are currently 30 hotels/motels in town generating TOT revenue. TOT revenue is highly dependent on tourism and therefore was most impacted by the pandemic and the stay-at-home mandates that were implemented statewide. In 2018-19, TOT revenues were $3.4 million, dropped to $2.9 million in 2019-20, and declined to $3.2 million in 2020-21. However, TOT revenues have since rebounded to pre-pandemic levels of $4.3 million for 2021-22 and $4.5 million for 2022-23 as the public's pent-up demand to travel has surged. This revenue stream is anticipated to remain flat through 2024-26 as broader travel options have opened up post-pandemic.

CONSTRUCTION PERMITS

Construction permits are required for all new structures built within the City, as well as for additions or upgrades to existing buildings or property. Residential and commercial activity remain high, with significant multi-family residential



construction as well as accessory dwelling units. Apartment projects including Centennial Gardens, Centennial Square, Elements, Santa Maria Studios are opening in 2024, adding to the City's housing inventory. Since 2018, the City has issued over 1,600 permits for accessory dwelling units, on par or exceeding the rate of construction for apartment units. Some single-family homes have been built with the Skyview Estates subdivision. More projects are in the pipeline for construction in the next two years, including a large housing development called Blosser Ranch, consisting of approximately 1,400 housing units. Other Downtown projects are also expected to be constructed soon. After peaking at $5.6 million in 2017, largely due to permit fees collected for Enos Ranch, a regional shopping center, anticipated construction permit revenue in 2024-25 is projected at $3.0 million, or 2.5 percent of General Fund revenue.

GENERAL FUND EXPENDITURE ASSUMPTIONS

When developing expenditure assumptions for the General Fund, both known factors, such as the impact of employee Memorandums of Understanding (MOUs); debt service requirements; contractual obligations; and economic uncertainties, such as the rising cost of goods and services are considered. During the development of the budget, City departments perform a comprehensive analysis of financial requirements to maintain service levels and quality, maintain critical infrastructure, and provide programs. For non-personnel cost estimates, fixed costs for multi-year contracts, assumptions based upon historical spending trends within individual expenditure categories, and a conservative Consumer Price Index (CPI) factor are applied to expenditure projections throughout the five-year plan.

Personnel costs are the largest and most impactful expenditure category in the General Fund Budget, exceeding 70 percent of the total General Fund Budget, excluding the California Public Employees Retirement System Unfunded Accrued Liability (CalPERS UAL). Some currently active MOUs are scheduled to expire in FY 2024-25. Increases have been incorporated into the budget in alignment with those already authorized for 2024-26.

The budget and six-year plan must take into consideration long-term strategies to address the City's long-term fiscal health.

FISCAL CHALLENGES, RISKS, AND STRATEGIES

SALARIES AND BENEFITS

As of April 2024, new agreements were reached with certain bargaining units. There is a base salary increase of 10.0 percent over two calendar years (2023-2024) for members of SEIU Local 620, for management and confidential employees, and for sworn Police and Fire Managers. The increase in compensation drives up CalPERS costs.

As in prior years, personnel costs remain the largest component of the City's operating expenditures budget for 2024-26, accounting for $149.7 million, or 68.7 percent, associated with salaries and benefits. The breakdown by year is $73.0 million in 2024-25 and $76.7 million in 2025-26.

UNFUNDED PENSION LIABILITY

The City has undertaken pension reform to address its CalPERS obligations. The City has three tiers of employees based on hire date: Tier I is before July 1, 2011; Tier II hires after July 1, 2011, and public employment before January 1, 2013; and, Tier III hires (PEPRA) with California public employment begun after January 1, 2013. Back in early 2011, the City engaged in pension reform measures with its employee groups requiring all new employees (Tier II) to pay the employees' share of pension expenses, which represents either seven percent for miscellaneous members or nine percent for safety members, of their salary. Tier III (PEPRA) employees pay a higher percentage of their pension expenses.

FUND RESERVES

The City's General Fund endeavors to maintain a minimum unassigned fund balance of at least 25 percent of operating appropriations to insulate the General Fund programs and current service levels

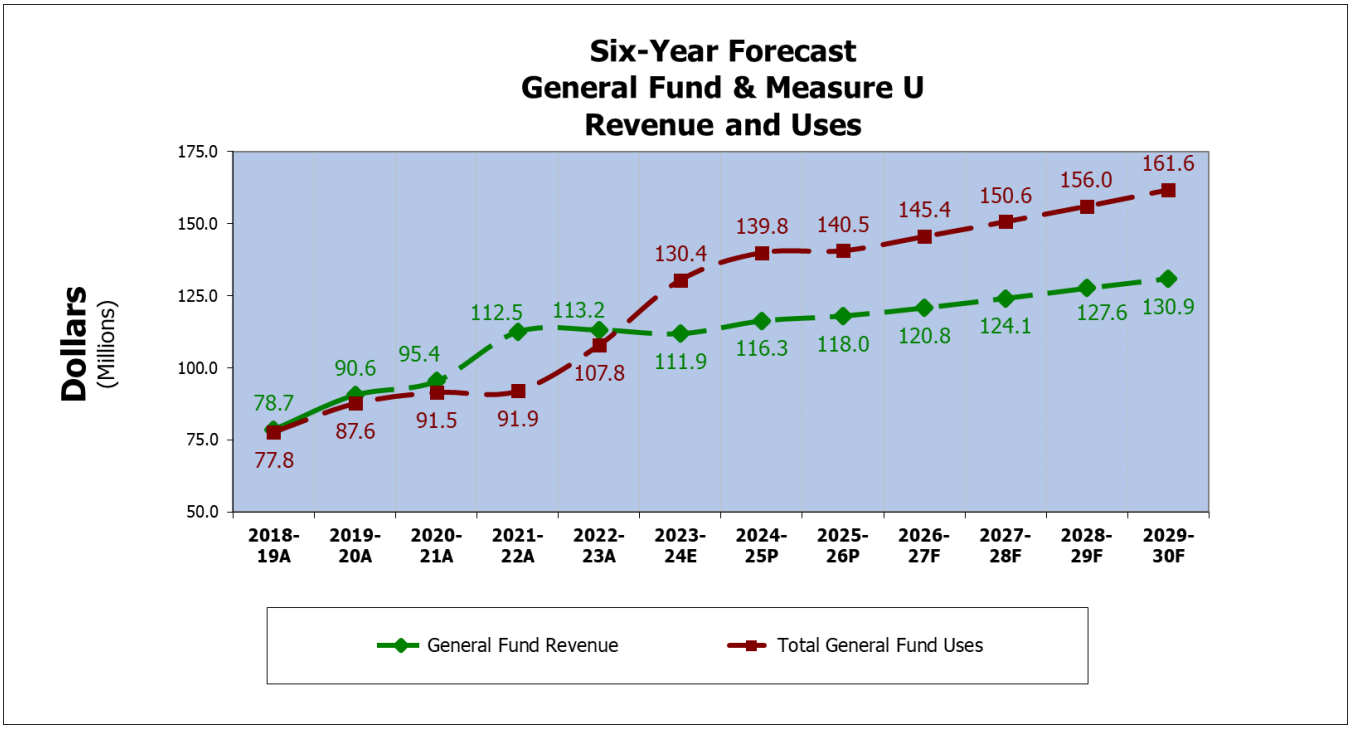
from large and unanticipated one-time expenditure requirements, a revenue reduction due to a change in State or Federal Legislation, and other unforeseen circumstances.

The Local Economic Augmentation Fund is a reserve fund established in 2000-01, made up of one-time discretionary resources, distinct from the General Fund that is designed to help balance the General Fund's operating budget during times of economic and/or financial crisis. The City Council set aside General Fund proceeds into this account. The intent of this fund is to be used as a "gap financing" mechanism during downturns in the local economy.

In 2010-11, the City adopted a General Fund Economic Stabilization (Prudent Reserve) under GASB Statement Number 54. The prudent reserve amount was set at $19.8 million. Appropriations from the reserve can only be made by formal City Council action and are limited to emergency situations. Examples of such emergencies include but are not limited to: covering expenses arising from a natural disaster, to replacing revenue taken over by another entity, or to a drop in actual/projected revenue of more than five percent of the General Fund adopted revenue budget. Should the prudent reserve commitment be used, and its level falls below the minimum amount as described herein, the goal is to replenish the fund within three fiscal years.

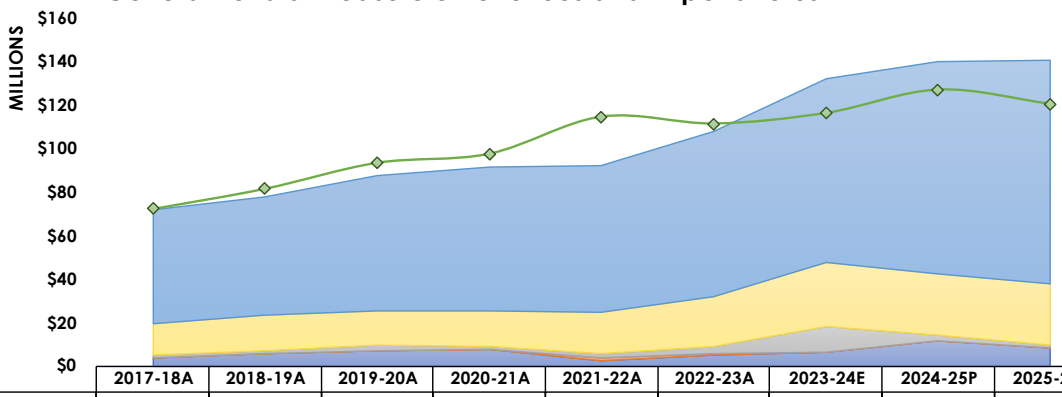
The adopted Fiscal Year 2024-26 Biennial Budget shows a significant structural imbalance. The ongoing expenditures in the General Fund and Measure U combined exceed the ongoing revenues by $21.3 million in FY 24-25 and $20.2 million in FY 25-26. Moreover, the City Manager's adopted Fiscal Year 2024-26 Biennial Budget will include a recommendation to fund one-time items with projected one-time savings. The adopted Budget also establishes necessary reserves in the self-insurance funds due to changes in insurance markets. The total draw on General fund, Measure U, and Local Economic Augmentation Fund fund balances in the first fiscal year is $21.3 million and on the General Fund and Measure U fund balances in the second fiscal year is $20.2 million.

The chart below shows the General Fund and Measure U fiscal forecast. Revenues exclude operating transfers in of $10.6 million in FY 2024-25 and $2.3 million in FYs 2025-30.



The chart below shows the composition of the General Fund and Measure U fiscal forecast categories. Revenues include operating transfers in of $10.6 million in FY 2024-25 and $2.3 million in FY 2025-26.

General Fund & Measure U Revenues and Expenditures



	2017-18A	2018-19A	2019-20A	2020-21A	2021-22A	2022-23A	2023-24E	2024-25P	2025-26P
Salaries & Benefits	$52.652	$54.318	$62.331	$66.033	$67.119	$75.761	$84.643	$97.882	$103.084
Supplies & Services	$14.221	$16.373	$15.891	$16.501	$19.513	$23.193	$29.295	$27.923	$27.837
Capital & Outside Agencies	$1.283	$1.231	$2.277	$1.400	$1.911	$2.803	$11.872	$2.404	$1.139
Debt Service	$0.106	$0.090	$0.073	$0.055	$0.920	$1.035	$0.046	$0.267	$0.267
Transfers	$3.616	$5.749	$7.076	$7.496	$2.482	$4.876	$6.014	$11.373	$8.218
Total Expenditures	$71.878	$77.760	$87.648	$91.485	$91.945	$107.667	$131.870	$139.849	$140.545
Total Revenues	$72.111	$81.395	$93.305	$97.482	$114.491	$111.330	$116.192	$126.865	$120.307

MEASURE U FUND SIX-YEAR FINANCIAL PLAN

OVERVIEW

Measure U, a one-cent local Transaction and Use Tax, is collected as part of the 8.75 percent total sales tax rate. City voters initially approved Measure U in the June 2012 election (63.95 percent support), enacting a one-quarter-cent tax. More recently, voters in the November 2018 election (with a 74.18 percent majority) extended and enhanced Measure U at the one-cent rate. The Measure U fund accounts for local transactions and use tax within the City of Santa Maria is combined with the General Fund for financial reporting purposes. The City Council authorized that 90 percent majority of the aforementioned tax proceeds be spent on public safety-related services, then five percent on youth services, and five percent on programs for quality of life. The Measure U Citizens' Oversight Committee reviews the annual independent financial audit, and any other City financial reports necessary to advise the City Council of its findings on an annual basis.

MEASURE U REVENUE ASSUMPTIONS

MEASURE U TRANSACTION & USE TAX

Measure U revenues are affected by changes in the economy just like sales tax. Measure U projections are $26.7 million in 2024-25, and $26.9 million in 2025-26.

MEASURE U EXPENDITURE ASSUMPTIONS

The City Council set goals and objectives regarding the use of Measure U proceeds. The goals are to first maintain services, and second, to make service enhancements. To meet these goals and objectives, the Council authorized Measure U proceeds to be allotted at 90 percent for public safety, 5 percent for youth services, and 5 percent for quality of life. The expenditure projections for Measure U assume a continuation of spending items that were approved without a defined termination date. Measure U provides funding for 137.60 full-time equivalent (FTE) positions Citywide. That is 19 percent of the workforce or about one in every five FTE.

MEASURE U BY CATEOGRY

DEPARTMENT	Public Safety	Youth Services	Quality of Life	Total Adopted 2024-25
Police	$ 12,835,790	$ -	$ -	$ 12,835,790
Fire	11,945,878	-	-	11,945,878
Recreation & Parks	1,940,905	846,550	283,857	3,071,312
Library	192,695	642,581	179,433	1,014,709
Community Development	-	-	824,287	824,287
City Manager	38,841	-	196,379	235,220
Finance	2,757	-	-	2,757
Total Operating	**$ 26,956,866**	**$ 1,489,131**	**$ 1,483,956**	**$ 29,929,953**
	90%	**5%**	**5%**	**100%**
City Manager Capital	-	-	1,200,000	1,200,000
Total Expenditures	**$ 26,956,866**	**$ 1,489,131**	**$ 2,683,956**	**$ 31,129,953**

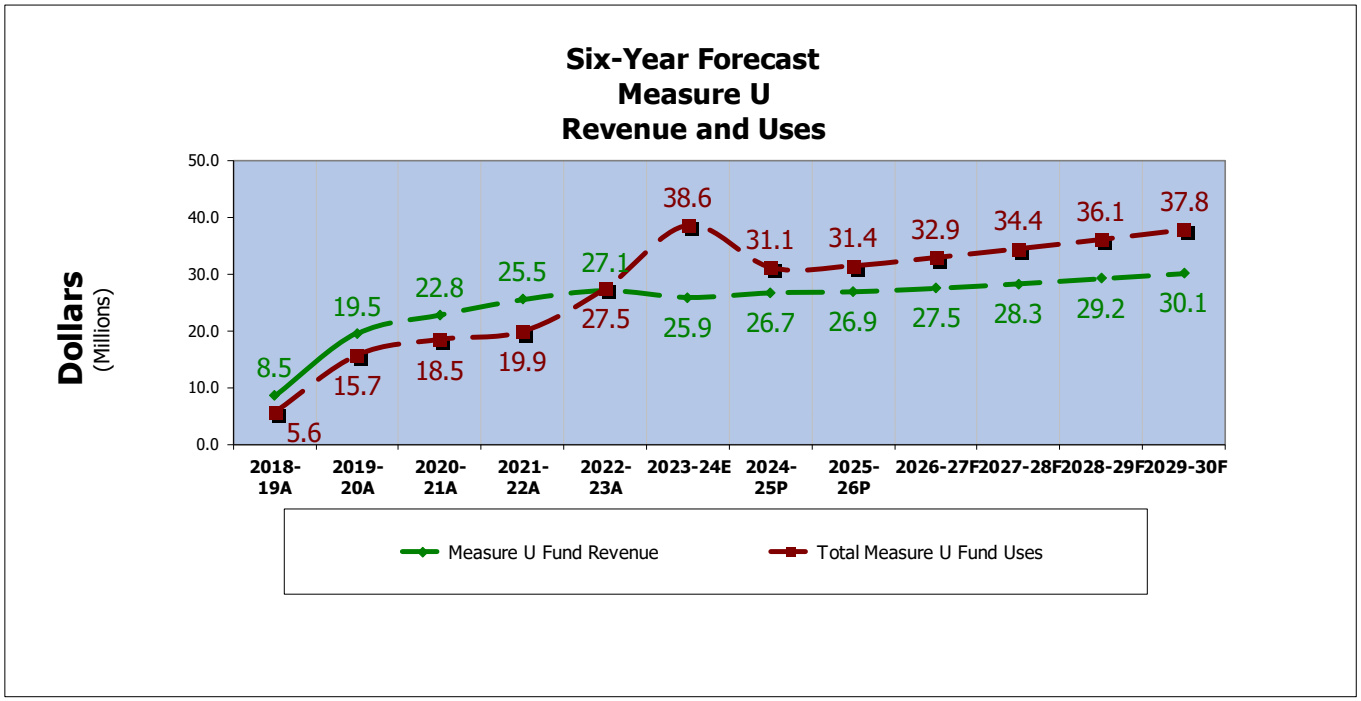
The Police Department is supported 23.5 percent by Measure U. The vast majority of these monies support a variety of sworn and non-sworn personnel. Many of these positions were formerly charged to the General Fund until it no longer had ongoing, sustainable revenue to support and maintain them.

Without Measure U, the City would have to reduce staffing and programs. The Fire Department is supported 46.5 percent by Measure U. Through the support of Measure U, the Fire Department supports sworn and non-sworn personnel. The Recreation and Parks Department is supported 18.4 percent by Measure U revenue to support personnel and equipment for youth services and quality of life programs. Measure U funds are focused on support of the Mayor's Task Force on Youth Safety. The Library is supported 15.5 percent by Measure U revenue. The City Manager's Office receives a small amount of Measure U revenues to cover expenses for the City's Mass Notification System. The Finance Department receives a small amount of Measure U revenues to cover expenses for the annual Measure U audit.

FUND RESERVES

The City Council has indicated a desire to create a Measure U reserve, to help ensure these vital services can be sustained during a temporary or cyclical reduction of revenue. The City Council set a goal of a 20 percent reserve.

The chart below shows the Measure U forecast based on Measure U continuing to fund the same level of services. The forecast is unbalanced due to expenditures outpacing revenue growth, which means that Measure U sales tax revenue will be able to fund lower levels of service than in the current fiscal year.



WATER ENTERPRISE FUND FINANCIAL OVERVIEW

The Water Enterprise Fund is a restricted fund that is self-supported by funding all operating and capital expenses through charges (rates) collected for the service. Approved rates reflect both fixed and variable costs incurred by the City for the supply, treatment, and distribution of drinking water to City customers. The City monitors the health of the Water Enterprise Fund with a comprehensive rate model. The rate model considers revenue requirements as well as the cost of service to ensure adequate funding for operating and capital infrastructure costs necessary to provide safe and reliable water service to the community.

In FY 2023-24, the City worked with a third-party consultant to conduct an independent rate study and analysis of the Water Enterprise Fund. The findings of the study helped establish cost-based and equitable rates for City customers in compliance with the Proposition 218 rate setting process. Rates were approved by the City Council on October 17, 2023, and the first of four approved water rate increases were implemented on January 1, 2024.

NOTABLE FUND IMPACTS

The following requirements of the Water Fund have historically had the most significant impact on the Water Fund:

STATE WATER

- The City receives State Water from the Central Coast Water Authority (CCWA). The costs to receive State Water from CCWA include expenses for the infrastructure to deliver the water as well as the costs for water treatment and delivery. The CCWA provides estimated costs for inclusion in the City's Budget.
- The City issued bonds to pay for portions of State Water infrastructure, in addition to local improvements for the delivery of State Water. The bond costs are also considered a portion of State Water Costs. The debt service for the bonds continues through Fiscal Year 2035-36.

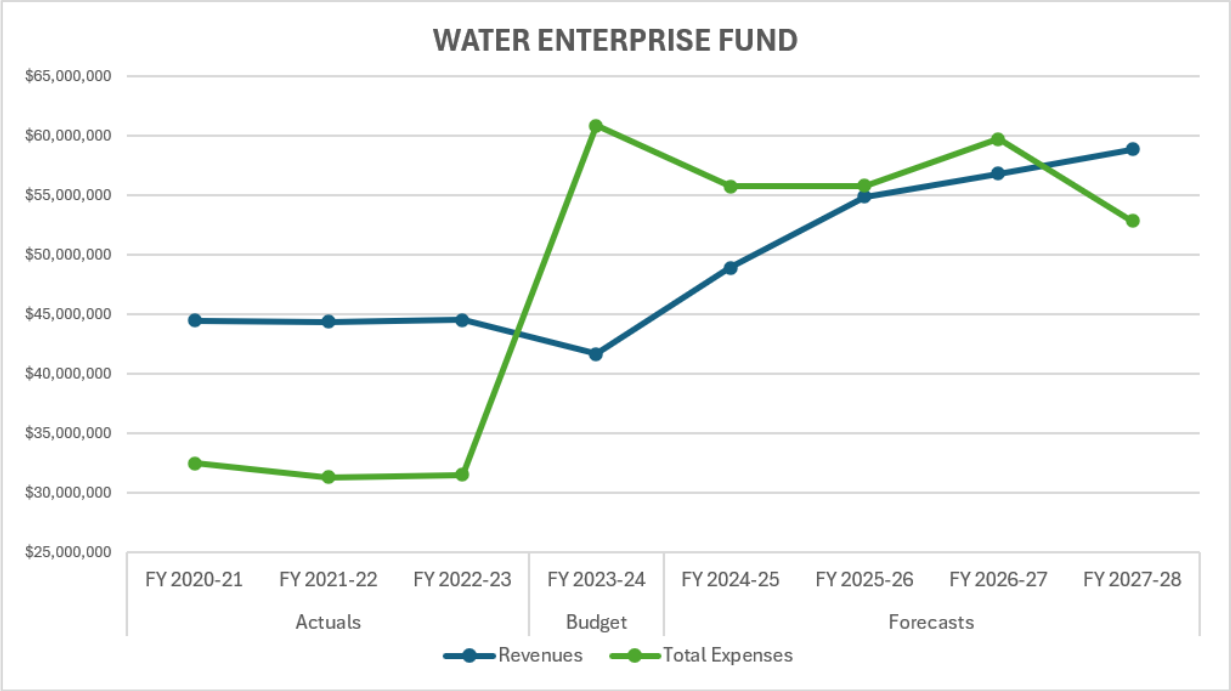
CAPITAL IMPROVEMENT PROGRAM (CIP)

- The CIP is a listing of long-term capital projects intended to address deficiencies and improvements needed for the City's water system.
- The rate model includes 5 percent annual increases in project costs for projects in the CIP Program.
- The City is in the process of conducting a comprehensive General Plan update, creating the master plan for Santa Maria's growth over the next 25-30 years. The General Plan will inform future infrastructure needs related to providing water service to a growing community.
- The Water Enterprise Fund has a strong reserve balance, which will be used for pay-as-you-go financing of critical capital infrastructure projects in the coming years.

OPERATIONS AND MAINTENANCE (O&M)

- O&M is the cost of personnel, materials, and equipment required for the division to effectively function and operate.
- The rate model includes 4.4 percent annual increases for O&M expenses such as materials, supplies, equipment, and professional services, and 3 percent annual increases for existing staff's salary and benefits, as well as estimated costs for projected additional staffing.
- Unfunded pension liability projections provided by the California Public Employees' Retirement System (CalPERS) are incorporated in the rate model.

FUND OUTLOOK



The chart above illustrates forecasted expenses increasing starting in FY 2023-24. This is primarily due to increased spending on capital projects.

REVENUE ASSUMPTIONS AND VARIANCES

- Forecasts include approved rate increases and a customer growth assumption of 0.5 percent per year.
- Anticipated revenues in Fiscal Year 2023-24 are projected to exceed budget estimates and be more consistent with revenues from the three previous fiscal years.
- The City has a court-ordered agreement with Nipomo Community Services District (NCSD) to provide supplemental water to serve Nipomo customers. The City's minimum quantity of supplemental water to deliver to NCSD will increase from 1,000 to 2,500 acre-feet/year, resulting in increased revenues to the City in Fiscal Year 2025-26.

EXPENSE ASSUMPTIONS AND VARIANCES

- Budgeted expenses are higher than previous actual expenses due to significant capital projects, such as Stowell/Black Waterline, McClelland Waterline, Reservoir 4 Roof Replacement, Well #6 Intertie, Well #15, Well Site Generator Enclosures, Corporation Yard Consolidation, and Well Controls. These are in addition to increases in O&M expenses related to chemicals, electricity, litigation, salary and benefits, and unfunded pension liability.
- Anticipated future capital projects include Groundwater Wells #16 & #17, and other capital projects that will be informed by the General Plan Update.

WASTEWATER ENTERPRISE FUND FINANCIAL OVERVIEW

The Wastewater Enterprise Fund is a restricted fund that is self-supported by funding all operating and capital expenses through charges (rates) collected for the service. Approved rates reflect costs incurred by the City to collect and treat domestic and industrial wastewater. This is accomplished by operating and maintaining a Grade 4 Wastewater Treatment Plant (WWTP) and ensuring treatable influent through the City's pretreatment program. The City monitors the health of the Wastewater Enterprise Fund with a comprehensive rate model. The rate model considers revenue requirements as well as the cost of service to ensure adequate funding for operating and capital infrastructure costs necessary to provide wastewater service.

In FY 2023-24, the City worked with a third-party consultant to conduct an independent rate study and analysis of the Wastewater Enterprise Fund. The findings of the study helped establish cost-based and equitable rates for City customers in compliance with the Proposition 218 rate setting process. Rates were approved by the City Council on October 17, 2023, and the first of four approved water rate increases was implemented on January 1, 2024.

NOTABLE FUND IMPACTS

The following requirements of the Wastewater Fund have historically had the most significant impact on the Wastewater Fund:

CAPITAL IMPROVEMENT PROGRAM (CIP)

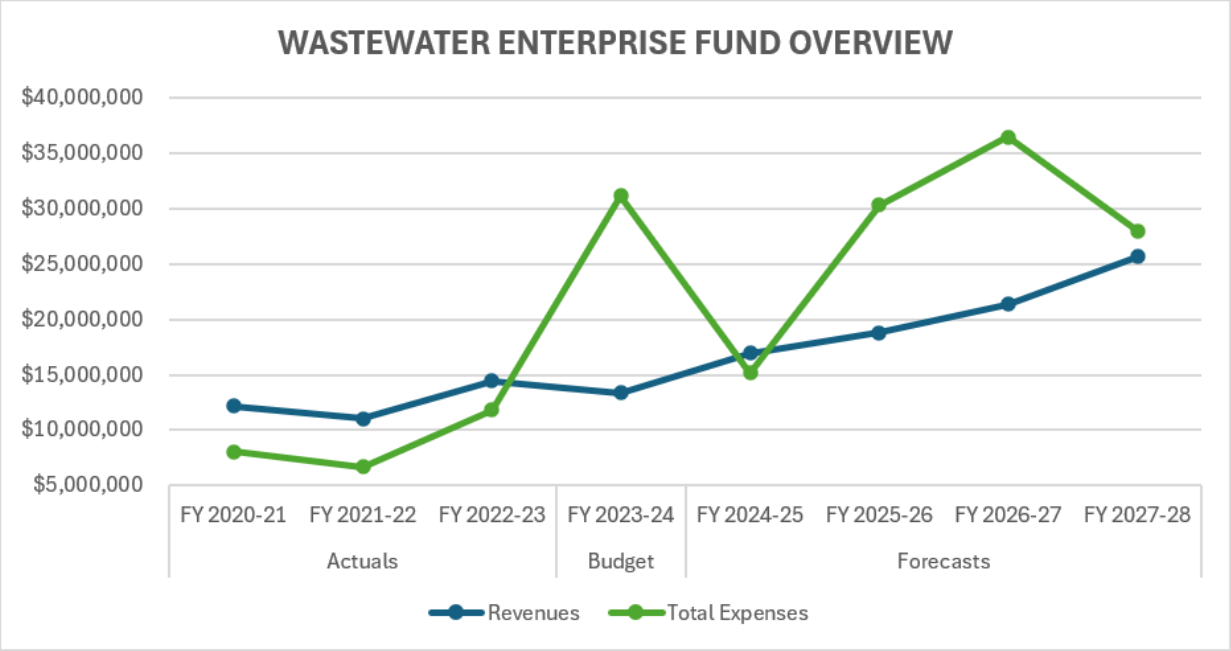
- The CIP is a listing of long-term capital projects intended to address deficiencies and improvements needed for the City's wastewater system.
- The rate model includes 5 percent annual increases in project costs for projects in the CIP Program.
- The City is in the process of conducting a comprehensive General Plan update, creating the master plan for Santa Maria's growth over the next 25-30 years. The General Plan will inform future infrastructure needs related to providing wastewater service to a growing community.
- In February 2022, the City's WWTP enrolled under the Regional Water Quality Control Board's General Permit (General Permit). The City's WWTP today cannot meet all the requirements of the General Permit. Compliance with the General Permit will cause significant financial ramifications for the City and its ratepayers. The City is working with a technical firm to manage this significant program and its various components as well as to develop cash flow and funding scenarios. Compliance with the General Permit also necessitates the development of a new Wastewater Master Plan to include evaluation of treatment alternatives and feasibility studies. The Wastewater Master Plan will then inform designs to modify the WWTP to treat wastewater to the standards required in the General Permit. The full scope of the modifications to the WWTP is not known currently. While it is not possible to accurately estimate the costs to achieve compliance, a program of this magnitude may have costs exceeding $300,000,000. As the new Wastewater Master Plan is developed and the necessary improvements for compliance are identified, a better understanding of overall costs will be achieved, as well as strategies for funding those costs. Costs associated with this undertaking will be borne by the Wastewater Enterprise Fund. The rate model forecasts bond issuance for the WWTP upgrades beginning in Fiscal Year 2027-28.

OPERATIONS AND MAINTENANCE (O&M)

- O&M is the cost of personnel, materials, and equipment required for the division to effectively function and operate.
- The rate model includes 4.4 percent annual increases for O&M expenses such as materials, supplies, equipment, and professional services, and 3 percent annual increases for existing staff's salary and benefits, as well as estimated costs for projected additional staffing.

- Unfunded pension liability projections provided by the California Public Employees' Retirement System (CalPERS) are incorporated in the rate model.

FUND OUTLOOK



The chart above illustrates forecasted expenses increasing starting in FY 2023-24. This is primarily due to increased spending on capital projects.

REVENUE ASSUMPTIONS AND VARIANCES

- Forecasts include approved rate increases and a customer growth assumption of 0.5 percent per year.

EXPENSE ASSUMPTIONS AND VARIANCES

- Budgeted expenses are higher than previous actual expenses due to significant capital projects, such as the WWTP upgrade to meet General Permit requirements, sewer trunk line capacity upgrades, trash capture devices, site security, and Corporation Yard Consolidation. These are in addition to increases in O&M expenses related to chemicals, electricity, salary and benefits, and unfunded pension liability.
- Anticipated future capital projects include sewer pipeline capacity projects identified in the Utilities Capacity Study as A-1, B-1, C-1, C-7, D-1, D-2, D-4, D-8, D-12, D-14, and D-17 and other capital projects that will be informed by the General Plan Update.

SOLID WASTE COLLECTIONS ENTERPRISE FUND FINANCIAL OVERVIEW

The Solid Waste Collections Enterprise Fund is a restricted fund that is self-supported by funding all operating and capital expenses through charges (rates) collected for the service. Approved rates reflect costs incurred by the City to provide refuse, recyclable, and organic waste collection services to Santa Maria residents and businesses. The City monitors the health of the Solid Waste Collections Enterprise Fund with a comprehensive rate model. The rate model considers revenue requirements as well as the cost of service to ensure adequate funding for operating and capital infrastructure costs necessary to provide Solid Waste Collections service.

In FY 2021-22, the City worked with a third-party consultant to conduct an independent rate study and analysis of the Solid Waste Collections Enterprise Fund. The findings of the study helped establish cost-based and equitable rates for City customers in compliance with the Proposition 218 rate setting process. Rates were approved by the City Council on October 19, 2021, authorizing rate increases through July 1, 2025.

NOTABLE FUND IMPACTS

The following requirements of the Solid Waste Collections Fund have historically had the most significant impact on the Solid Waste Collections Fund:

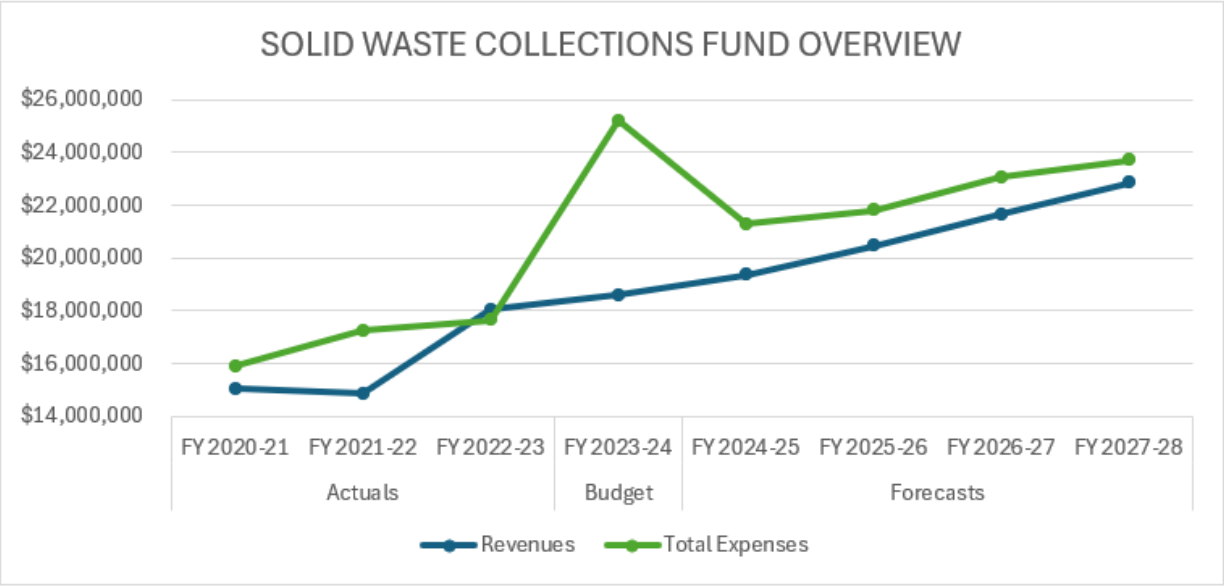
CAPITAL IMPROVEMENT PROGRAM (CIP)

- The CIP is a listing of long-term capital fleet purchases needed for the City's Solid Waste Collections system. Residential trash collection utilizes fully automated side-loading vehicles to provide weekly collection of containers for residential customer accounts. Commercial trash collection utilizes front-loading vehicles to provide weekly collection of dumpsters for nearly 1,800 commercial customer accounts, which includes commercial, business, and multi-family properties. On the heaviest days of the week, up to 20 refuse trucks are on the road providing collections service to the community.
- The rate model includes 2.5 percent annual increases in capital fleet purchases in the CIP Program.
- The City is in the process of conducting a comprehensive General Plan update, creating the master plan for Santa Maria's growth over the next 25-30 years. The General Plan will inform future infrastructure needs related to providing Solid Waste Collections service to a growing community.

OPERATIONS AND MAINTENANCE (O&M)

- O&M is the cost of personnel, materials, and equipment required for the division to effectively function and operate.
- The rate model includes 3 percent annual increases for O&M expenses such as materials, supplies, equipment, and professional services, and 5 percent annual increases for existing staff's salary and benefits, as well as estimated costs for projected additional staffing.
- Unfunded pension liability projections provided by the California Public Employees' Retirement System (CalPERS) are incorporated in the rate model.
- Regulatory impacts from the State of California impacting solid waste collections, including Assembly Bill 341 Mandatory Commercial Recycling, Assembly Bill 1826 Mandatory Commercial Organics Recycling, and Senate Bill 1383 Short-Lived Climate Pollutant Reduction.
- Regulatory impacts from the State of California related to street sweeping in compliance with the City's MS4 stormwater permit requirement.

FUND OUTLOOK



The chart above illustrates forecasted expenses increasing starting in FY 2023-24. This is primarily due to increased spending on capital fleet purchases.

REVENUE ASSUMPTIONS AND VARIANCES

- Forecasts include approved rate increases and a customer growth assumption of 1 percent per year.

EXPENSE ASSUMPTIONS AND VARIANCES

- Budgeted expenses are higher than previous actual expenses due to significant capital fleet purchases, including two automated side-loading vehicles, one front-loading vehicle, and one electric side-loading vehicle. These are in addition to increases in O&M expenses related to regulatory requirements, salary and benefits, and unfunded pension liability.

SOLID WASTE DISPOSAL ENTERPRISE FUND FINANCIAL OVERVIEW

The Solid Waste Disposal Enterprise Fund is a restricted fund that is self-supported by funding operating and capital expenses through revenues generated at the Santa Maria Regional Landfill (SMRL), which are also referred to as tipping fees. The SMRL is a Class III disposal facility with a current permitted disposal footprint of approximately 247 acres, and a remaining disposal capacity of ten years as of December 31, 2023.

In FY 2023-24, the City worked with a third-party consultant to conduct an independent rate study and analysis of the Solid Waste Disposal Enterprise Fund. The findings of the study helped establish a multi-year financial model and tipping fee recommendations to continue to operate the SMRL in a financially responsible manner to: cover operating, maintenance, and capital costs; reflect transfers to restricted reserves to meet regulatory requirements; and maintain a prudent operating reserve balance to ensure adequate cash is available for day-to-day operations and unexpected operating and capital cost increases. Rates were approved by the City Council on December 5, 2023, authorizing rate increases effective January 1, 2024 and January 1, 2025.

NOTABLE FUND IMPACTS

The following requirements of the Solid Waste Disposal Fund have historically had the most significant impact on the Solid Waste Disposal Fund:

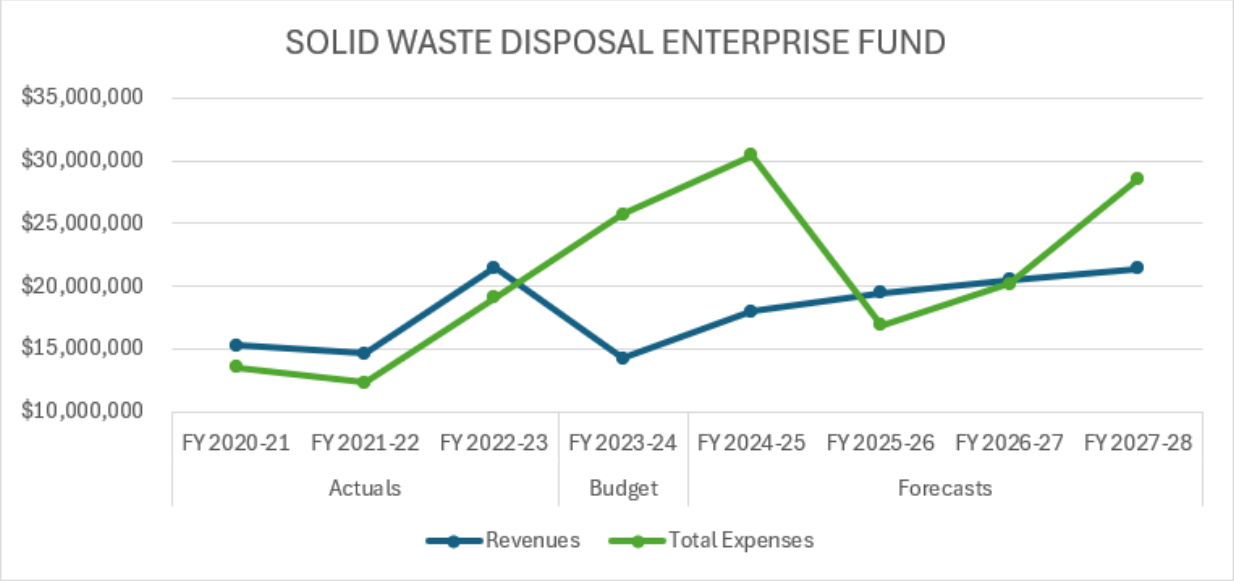
CAPITAL IMPROVEMENT PROGRAM (CIP)

- The CIP is a listing of long-term capital projects intended to address regulatory requirements, deficiencies and improvements needed to operate the SMRL.
- The rate model includes 2.5 percent annual increases in project costs in the CIP Program.
- The City intends to construct and operate the Integrated Waste Management Facility (IWMF) at Los Flores. The IWMF, a Class III Landfill, will receive waste from urban and the rural areas of northern Santa Barbara County, with the capacity to receive waste from southern Santa Barbara County as necessary. The IWMF is anticipated to be ready to accept solid waste by 2032 and will include support facilities and utilities. Costs associated with this undertaking will be borne by the Solid Waste Disposal Enterprise Fund. The rate model forecasts bond issuance beginning in FY 2026-27.

OPERATIONS AND MAINTENANCE (O&M)

- O&M is the cost of personnel, materials, and equipment required for the division to effectively function and operate.
- The rate model includes 3 percent annual increases for O&M expenses such as materials, supplies, equipment, and professional services, and 5 percent annual increases for existing staff's salary and benefits, as well as estimated costs for projected additional staffing.
- Unfunded pension liability projections provided by the California Public Employees' Retirement System (CalPERS) are incorporated in the rate model.

FUND OUTLOOK



The chart above illustrates forecasted expenses increasing starting in FY 2022-23. This is primarily due to increased spending on capital projects.

REVENUE ASSUMPTIONS AND VARIANCES

- Forecasts include approved rate increases and a customer growth assumption of 1 percent per year.

EXPENSE ASSUMPTIONS AND VARIANCES

Budgeted expenses increase starting in 2022-23 due to significant capital projects including the Cell I Phase II Liner Extension, Scale House Software, Site Security System, Flare Replacement, and construction of the IWMF at Los Flores. These are in addition to increases in O&M expenses related to regulatory requirements, salary and benefits, and unfunded pension liability.

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BUDGET OVERVIEW

City of Santa Maria

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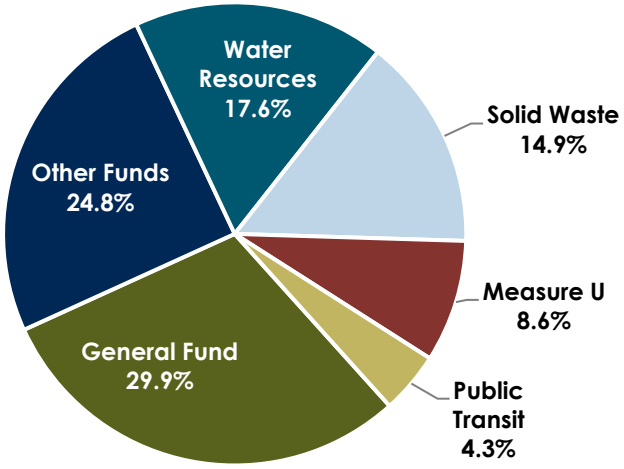
OVERVIEW

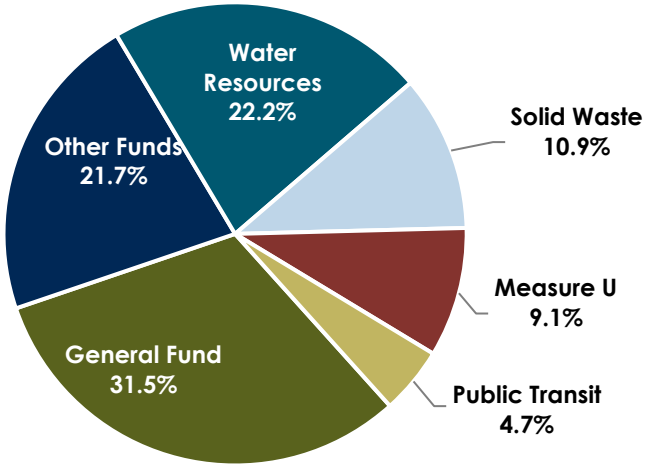
On June 18, 2024, the City Council adopted a two-year budget comprised of $364.0 million for FY 2024-25 and $346.9 million for FY 2025-26, inclusive of a $62.2 million and $53.6 million capital project budget respectively. The table and charts below include expenditure budgets for the City's major funds, which comprise 75 percent in FY 2024-25 and 78 percent FY 2025-26 of the total expenditure budget. Six-year plans are prepared for the General Fund and Measure U Fund; refer to the *Six-Year Financial Plans* section beginning on page 69.

Fund	FY 2024-25	FY 2025-26
General Fund	$ 108,718,908	$ 109,101,860
Measure U Fund	31,129,953	31,443,244
Water Resources	64,055,323	77,154,826
Solid Waste	54,134,822	37,815,781
Public Transit	15,638,045	16,224,857
Total Major Funds	**$ 273,677,051**	**$ 271,740,568**
Other Funds	90,298,531	75,124,738
Total Budget	**$ 363,975,582**	**$ 346,865,306**

FY 2024-25



FY 2025-26



CHANGES FROM PROPOSED TO ADOPTED BUDGET

On May 21, 2024, the City Council received the preliminary budget for consideration and feedback. There were no recommendations to revise the preliminary budget. On June 18, 2024, the proposed budget was presented for public hearing and subsequently adopted by the City Council as presented with no changes.

NOTEWORTHY BUDGET HIGHLIGHTS

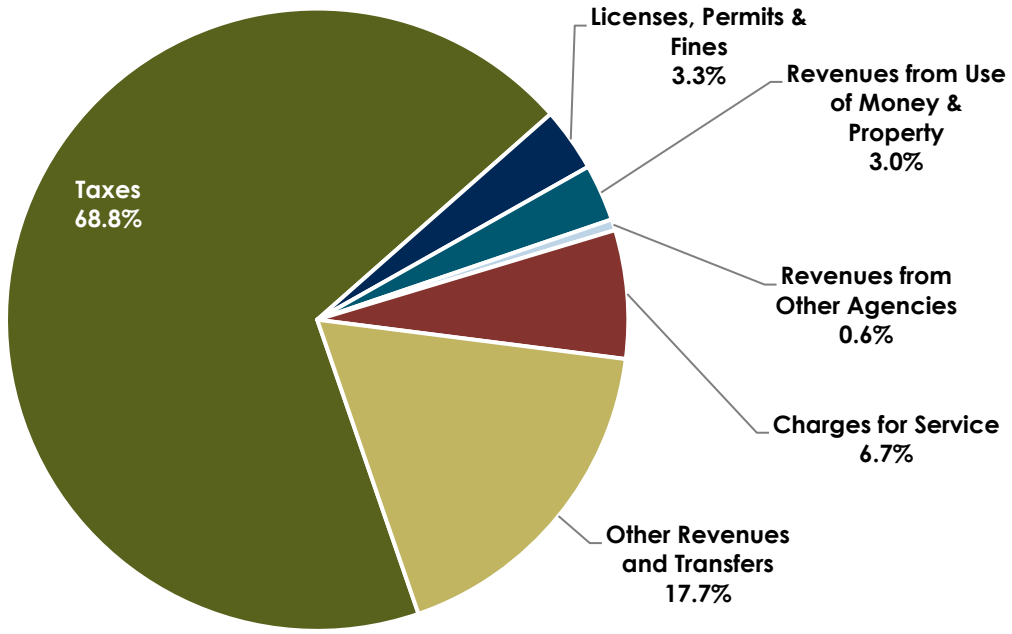
Each department's budget under the *Department Budget Detail* section (beginning on page 209) contains a *Noteworthy Budget Highlights* section detailing significant changes within each department's adopted budget as compared to the FY 2023-24 adopted budget.

CITYWIDE ADOPTED BUDGET SUMMARY

The following charts and tables present the citywide budget.

SOURCES OF FUNDING: GENERAL FUND

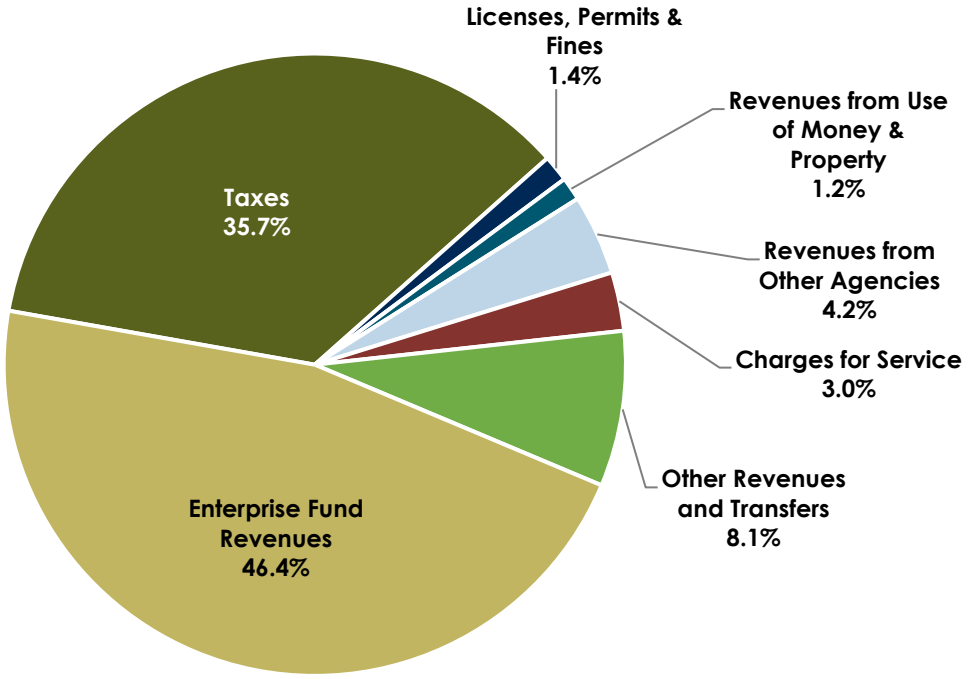
FY 2024-25


Licenses, Permits & Fines 3.3%
Revenues from Use of Money & Property 3.0%
Revenues from Other Agencies 0.6%
Charges for Service 6.7%
Other Revenues and Transfers 17.7%
Taxes 68.8%

Sources of Funding: General Fund	Adopted FY 2023-24	Per Capita 2022-23	Adopted FY 2024-25	Per Capita 2024-25
REVENUE CATEGORY				
Taxes	$ 68,265,459	$ 621	$ 68,881,601	$ 623
Licenses, Permits & Fines	3,253,334	30	3,325,334	30
Revenues from Use of Money & Property	2,959,513	27	2,959,513	27
Revenues from Other Agencies	486,486	4	573,676	5
Charges for Service	5,634,579	51	6,679,521	60
Other Revenues and Transfers	10,236,717	93	17,728,906	160
Total General Fund	**$ 90,836,088**	**$ 826**	**$ 100,148,551**	**$ 905**
Population		**109,910**		**110,608**

SOURCES OF FUNDING: OPERATING FUNDS

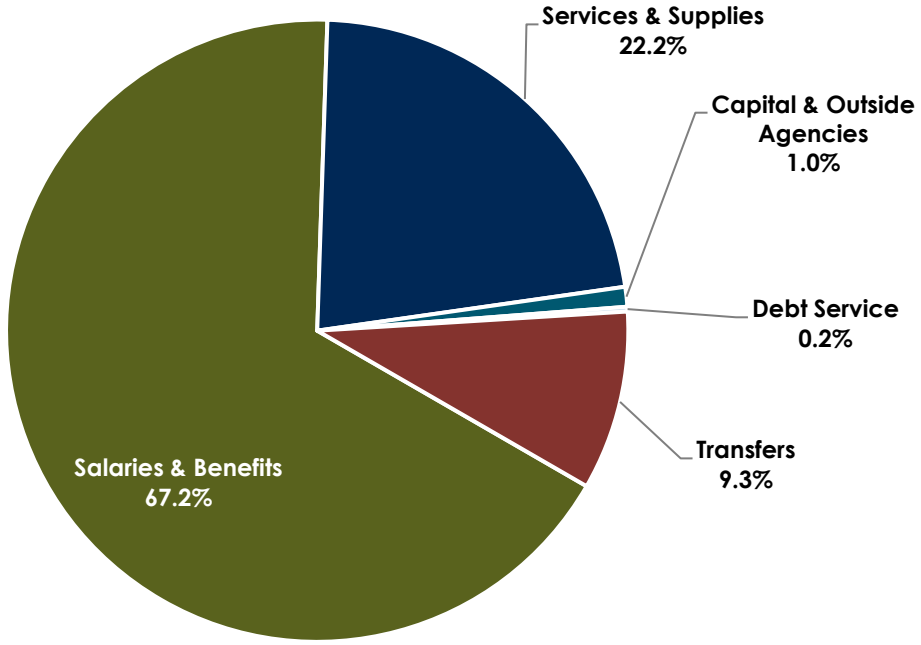
FY 2024-25


Licenses, Permits & Fines 1.4%
Revenues from Use of Money & Property 1.2%
Revenues from Other Agencies 4.2%
Charges for Service 3.0%
Other Revenues and Transfers 8.1%
Enterprise Fund Revenues 46.4%
Taxes 35.7%

Sources of Funding: Operating Funds				
	Adopted FY 2023-24	Per Capita 2022-23	Adopted FY 2024-25	Per Capita 2024-25
REVENUE CATEGORY				
Taxes	$ 94,980,459	$ 864	$ 95,426,552	$ 863
Licenses, Permits & Fines	3,623,334	33	3,695,334	33
Revenues from Use of Money & Property	3,247,825	30	3,247,825	29
Revenues from Other Agencies	10,886,688	99	11,165,050	101
Charges for Service	6,951,745	63	8,151,687	74
Other Revenues and Transfers	13,007,827	118	21,625,866	196
Enterprise Fund Revenues	109,523,134	996	124,257,857	1,123
Total Operating Funds	**$ 242,221,012**	**$ 2,204**	**$ 267,570,171**	**$ 2,419**
Population		**109,910**		**110,608**

BUDGET BY CATEGORY: GENERAL FUND

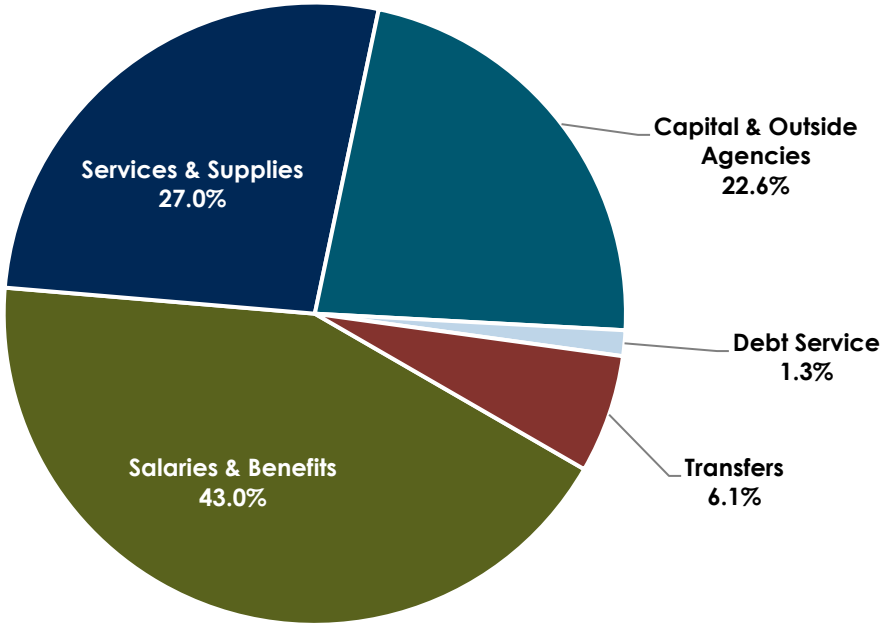
FY 2024-25



Budget by Category: General Fund	Adopted FY 2023-24	Per Capita 2022-23	Adopted FY 2024-25	Per Capita 2024-25
EXPENDITURE CATEGORY				
Salaries & Benefits	$ 62,491,612	$ 569	$ 73,047,845	$ 660
Services & Supplies	23,316,220	212	24,157,103	218
Capital & Outside Agencies	1,024,040	9	1,119,040	10
Debt Service	266,912	2	266,912	2
Transfers	3,737,304	34	10,128,008	92
Total General Fund	**$ 90,836,088**	**$ 826**	**$ 108,718,908**	**$ 983**
Population		**109,910**		**110,608**

BUDGET BY CATEGORY: OPERATING FUNDS

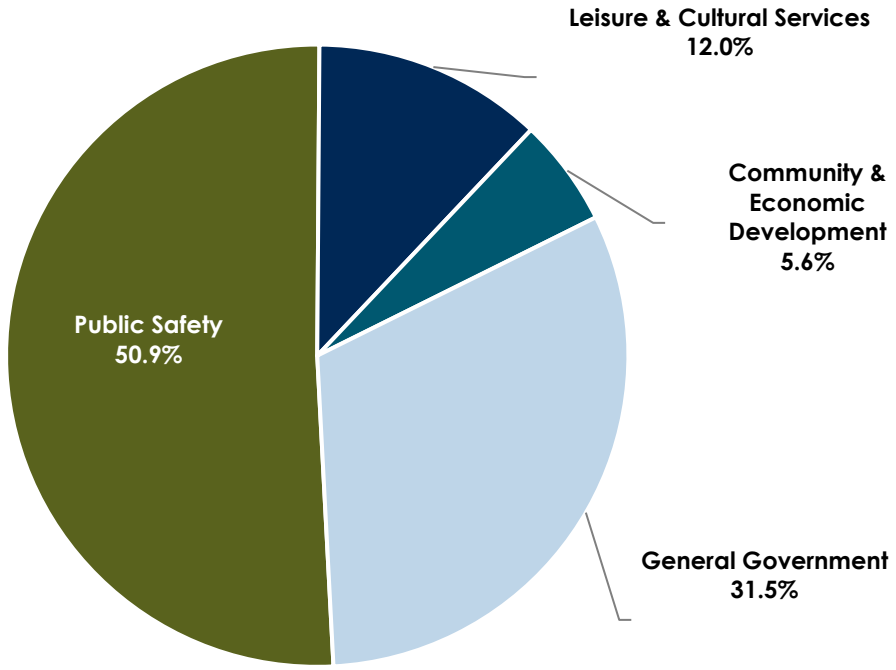
FY 2024-25



Budget by Category: Operating Funds	Adopted FY 2023-24	Per Capita 2022-23	Adopted FY 2024-25	Per Capita 2024-25
EXPENDITURE CATEGORY				
Salaries & Benefits	$ 110,644,892	$ 1,007	$ 125,314,777	$ 1,133
Services & Supplies	75,176,365	684	78,567,565	710
Capital & Outside Agencies	76,247,459	694	65,724,856	594
Debt Service	3,890,262	35	3,889,012	35
Transfers	10,972,118	100	17,918,093	162
Total Operating Funds	**$ 276,931,096**	**$ 2,520**	**$ 291,414,303**	**$ 2,635**
Population		**109,910**		**110,608**

BUDGET BY FUNCTION: GENERAL FUND

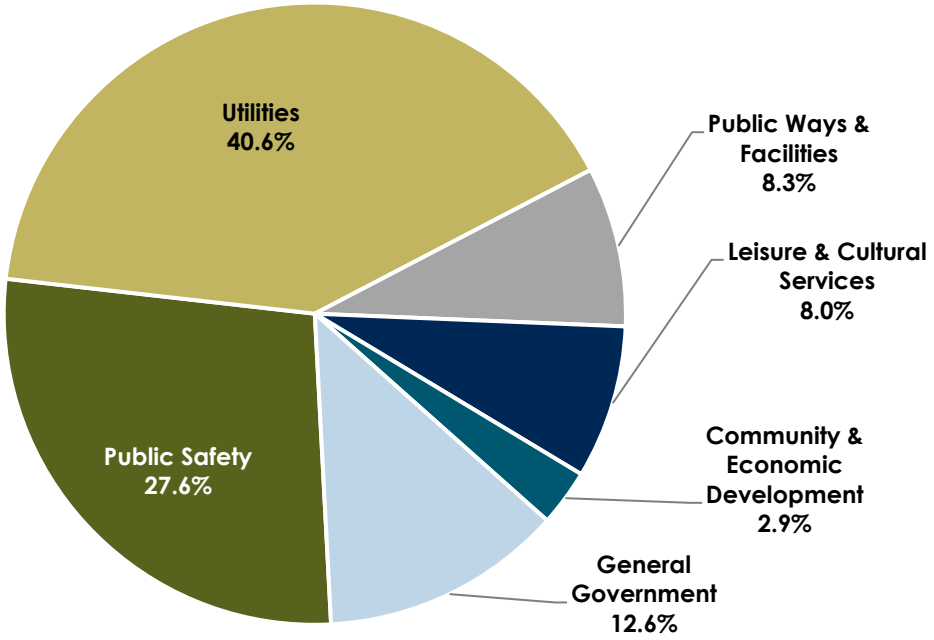
FY 2024-25



Budget by Function: General Fund	Adopted FY 2023-24	Per Capita 2022-23	Adopted FY 2024-25	Per Capita 2024-25
FUNCTION				
Public Safety	$ 47,839,356	$ 435	$ 55,389,361	$ 501
Leisure & Cultural Services	12,406,896	113	12,992,292	117
Community & Economic Development	6,621,183	60	6,087,166	55
General Government	23,968,653	218	34,250,089	310
Total General Fund	**$ 90,836,088**	**$ 826**	**$ 108,718,908**	**$ 983**
Population		**109,910**		**110,608**

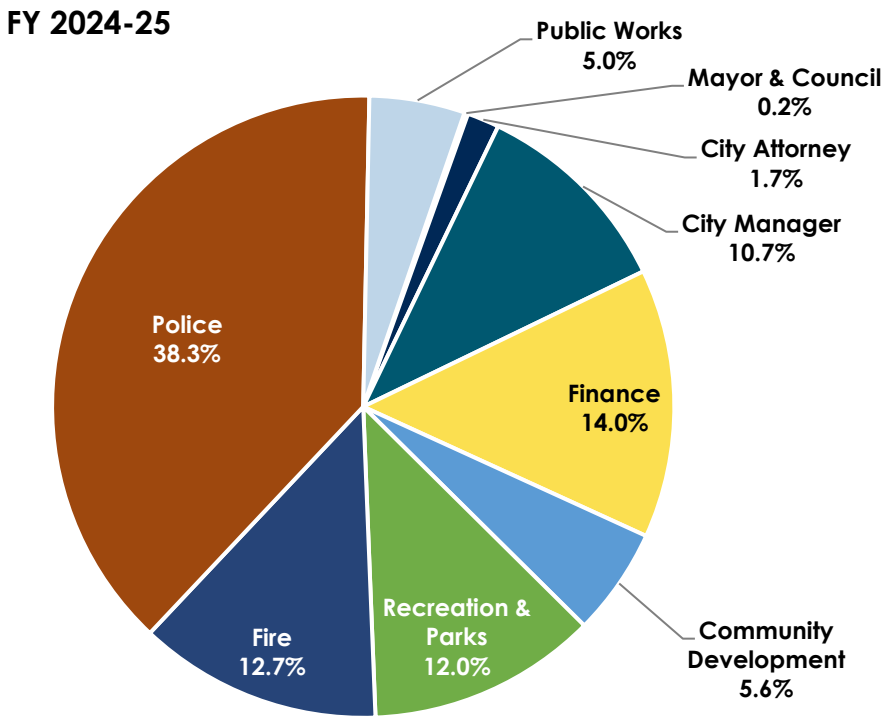
BUDGET BY FUNCTION: OPERATING FUNDS

FY 2024-25



Budget by Function: Operating Funds	Adopted FY 2023-24	Per Capita 2022-23	Adopted FY 2024-25	Per Capita 2024-25
FUNCTION				
Public Safety	$ 78,336,002	$ 713	$ 80,511,279	$ 728
Utilities	114,108,557	1,038	118,190,145	1,069
Public Ways & Facilities	27,489,813	250	24,189,495	219
Leisure & Cultural Services	22,581,541	205	23,245,850	210
Community & Economic Development	9,131,385	83	8,582,405	78
General Government	25,283,798	230	36,695,129	332
Total Operating Funds	**$ 276,931,096**	**$ 2,520**	**$ 291,414,303**	**$ 2,635**
Population		**109,910**		**110,608**

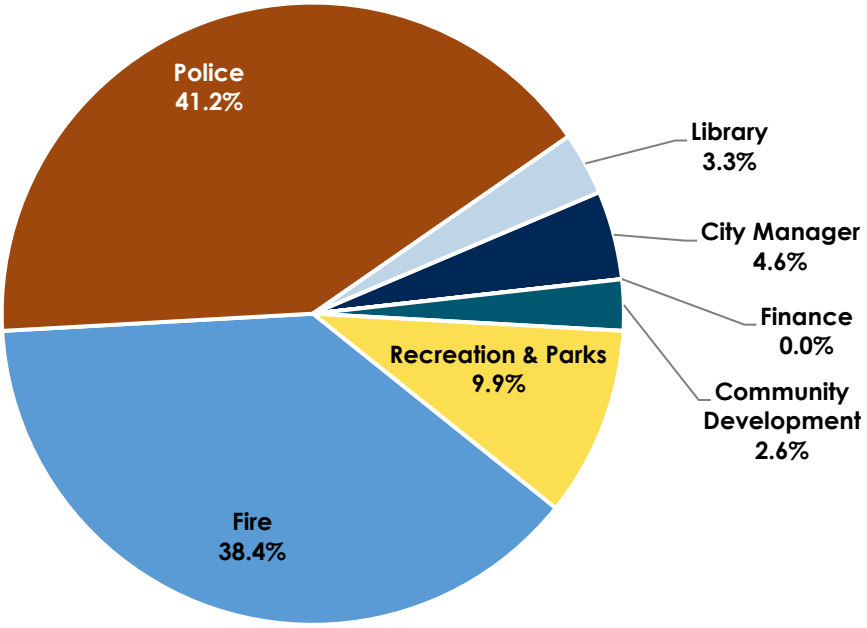
BUDGET BY PROGRAM: GENERAL FUND



Budget by Function: General Fund			
	Adopted FY 2023-24	Adopted FY 2024-25	Increase / (Decrease)
DEPARTMENT			
Mayor & Council	$ 206,907	$ 210,716	$ 3,809
City Attorney	1,365,659	1,816,866	451,207
City Manager	9,202,952	11,626,021	2,423,069
Finance	8,319,559	15,203,664	6,884,105
Community Development	6,621,183	6,087,166	(534,017)
Recreation & Parks	12,406,896	12,992,292	585,396
Fire	11,037,012	13,762,535	2,725,523
Police	36,802,344	41,626,826	4,824,482
Public Works	4,873,576	5,392,822	519,246
Total General Fund	**$ 90,836,088**	**$ 108,718,908**	**$ 17,882,820**

BUDGET BY PROGRAM: MEASURE U FUND

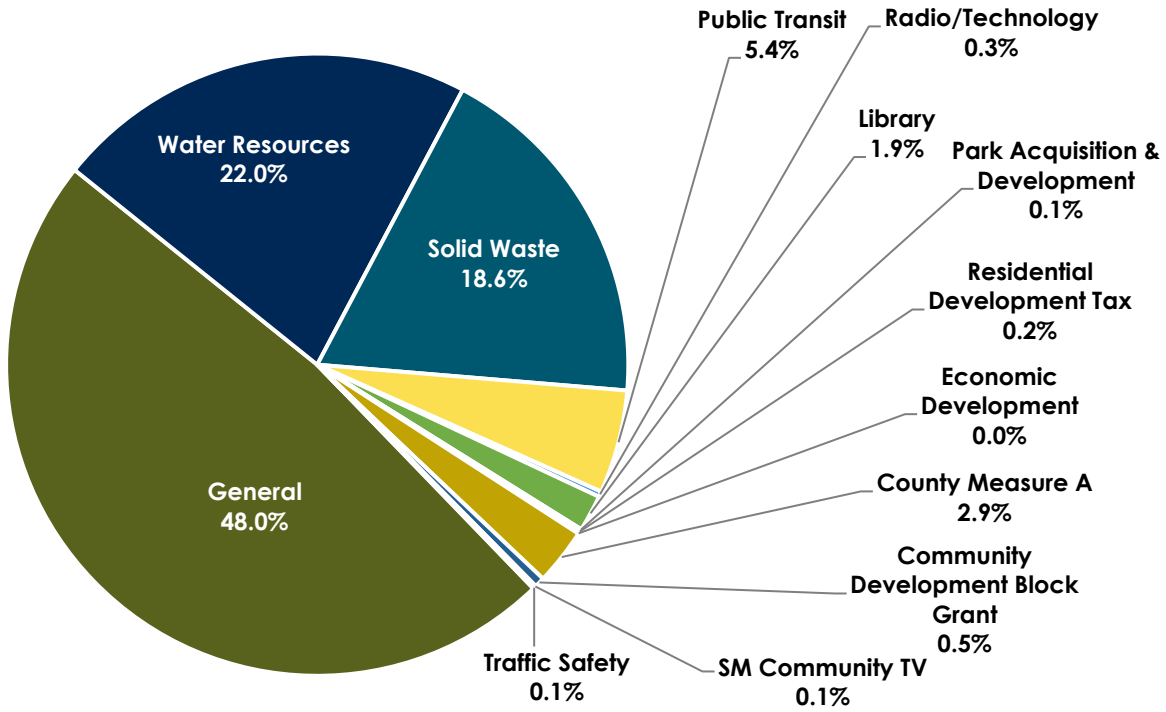
FY 2024-25



Budget by Function: Measure U Fund	Adopted FY 2023-24	Adopted FY 2024-25	Increase / (Decrease)
DEPARTMENT			
City Manager	$ 189,335	$ 1,435,220	$ 1,245,885
Finance	2,600	2,757	157
Community Development	963,250	824,287	(138,963)
Recreation & Parks	3,590,221	3,071,312	(518,909)
Fire	17,888,663	11,945,878	(5,942,785)
Police	12,267,733	12,835,790	568,057
Library	1,187,827	1,014,709	(173,118)
Total Measure U Fund	**$ 36,089,629**	**$ 31,129,953**	**$ (4,959,676)**

BUDGET BY FUND: OPERATING FUNDS

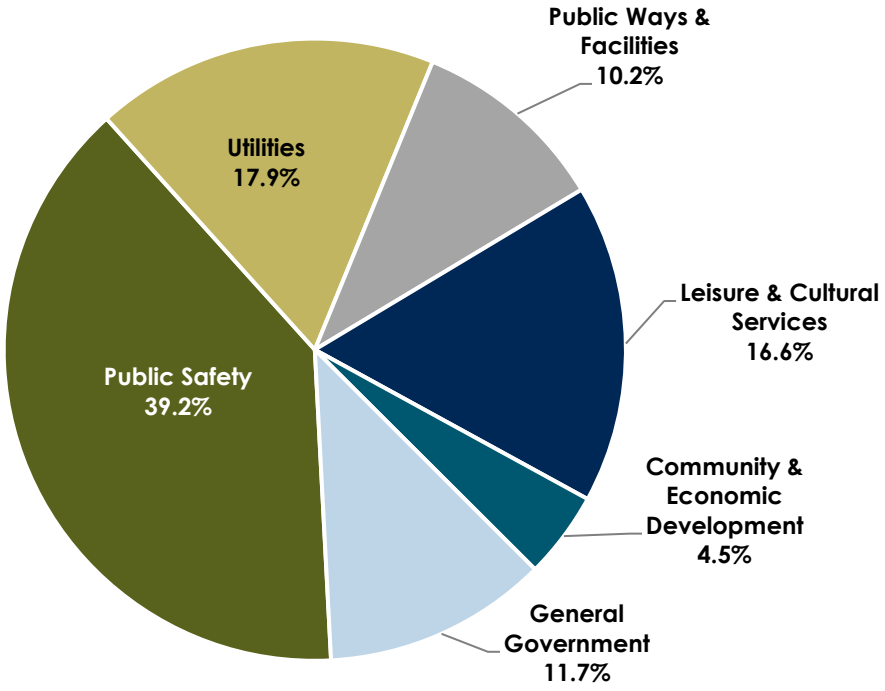
FY 2024-25



Budget by Fund: Operating Funds		
	Adopted FY 2023-24	Adopted FY 2024-25
DEPARTMENT		
General and Measure U	$ 126,925,717	$ 139,848,861
Water Resources	75.538.085	64,055,323
Solid Waste	38,570,472	54,134,822
Public Transit	19,091,609	15,638,045
Radio/Technology	983,903	839,188
Library	4,489,597	5,517,537
Park Acquisition & Development	757,000	150,000
Residential Development Tax	150,000	500,000
Economic Development	130,000	130,000
County Measure A	8,398,204	8,551,450
Community Development Block Grant	1,416,952	1,540,952
SM Community TV	139,307	167,875
Traffic Safety	340,250	340,250
Total Operating Funds	**$ 276,931,096**	**$ 291,414,303**

FULL-TIME POSITIONS: ALL FUNDS

FY 2024-25



Full-Time Positions: All Funds		
	Adopted FY 2023-24	Adopted FY 2024-25
FUNCTION		
Public Safety	269.80	286.80
Utilities	122.60	130.80
Public Ways & Facilities	71.80	74.80
Leisure & Cultural Services	121.20	121.40
Community & Economic Development	32.00	33.00
General Government	67.60	85.60
Total All Funds	**685.00**	**732.40**

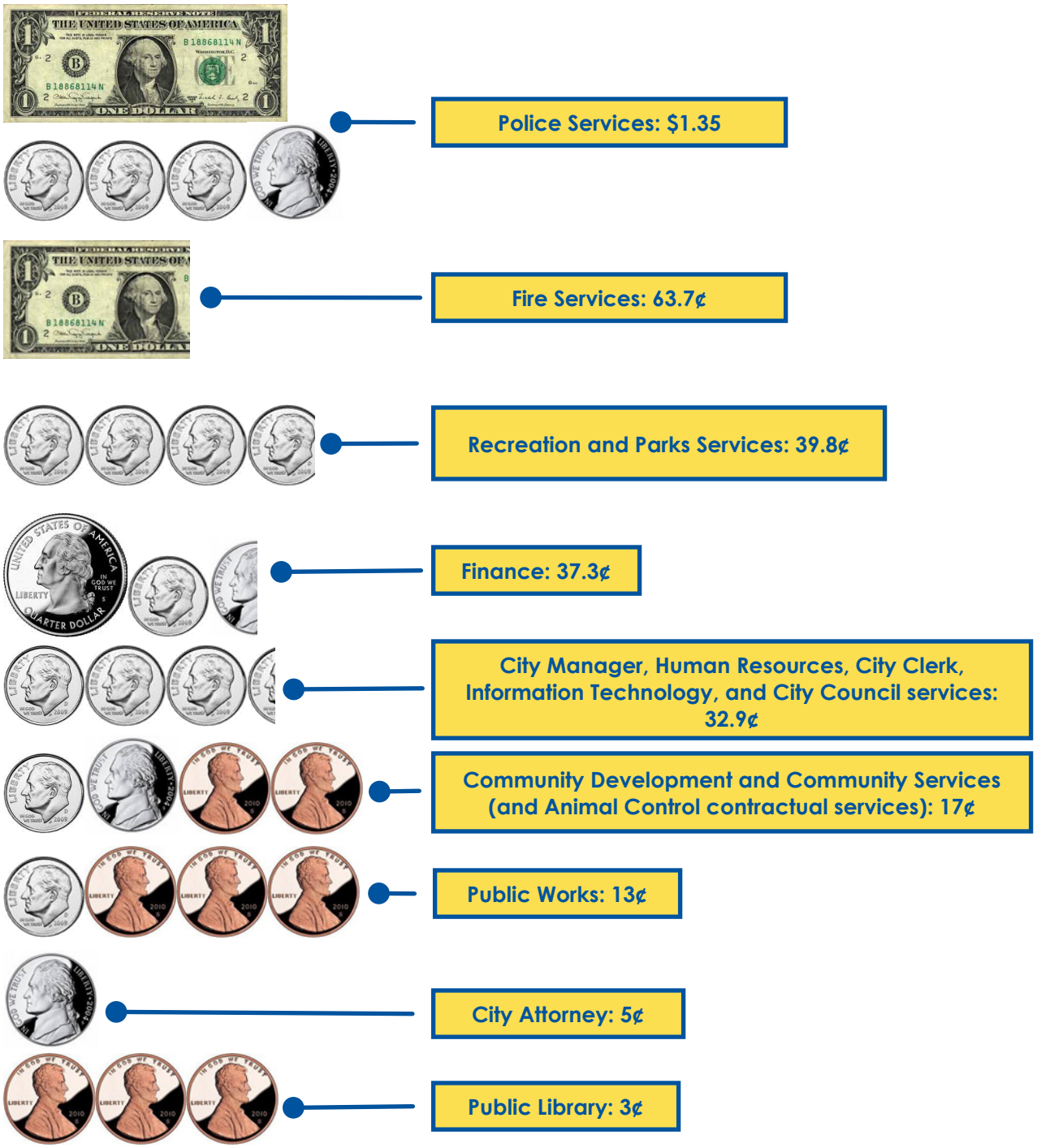
GENERAL FUND PROGRAMMATIC COSTS

The following illustration breaks down every dollar spent in the General Fund by how much is allocated to each department. This includes Measure U appropriations.

- Police Department: 38.9¢
- Fire Department: 18.4¢
- Recreation & Parks Department: 11.5¢
- Finance Department: 10.9¢
- City Manager's Office: 9.3¢
- Community Development Department: 4.9¢
- Public Works Department: 3.9¢
- City Attorney, Mayor and City Council: 1.5¢
- Library Department: 0.7¢

WHAT $3.46 PER DAY PAYS FOR IN CITY SERVICES

Consumers watch the cost of everyday items closely. A ride on a City bus costs $1.50, gasoline is about $5 per gallon, a champurrado (hot drink) or a tamale about $3, and a gallon of milk about $4.60. By comparison, Santa Maria residents each pay about $3.46 per day for these City services:


Police Services: $1.35
Fire Services: 63.7¢
Recreation and Parks Services: 39.8¢
Finance: 37.3¢
City Manager, Human Resources, City Clerk, Information Technology, and City Council services: 32.9¢
Community Development and Community Services (and Animal Control contractual services): 17¢
Public Works: 13¢
City Attorney: 5¢
Public Library: 3¢

Notes: This chart is based on the City spending $139.8 million in General Fund appropriations including Measure U expenditures. Additionally, because the Utilities Department operates as an Enterprise Fund it is not reflected above, and the Public Library receives County funds toward operations.

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REVENUE OVERVIEW

City of Santa Maria

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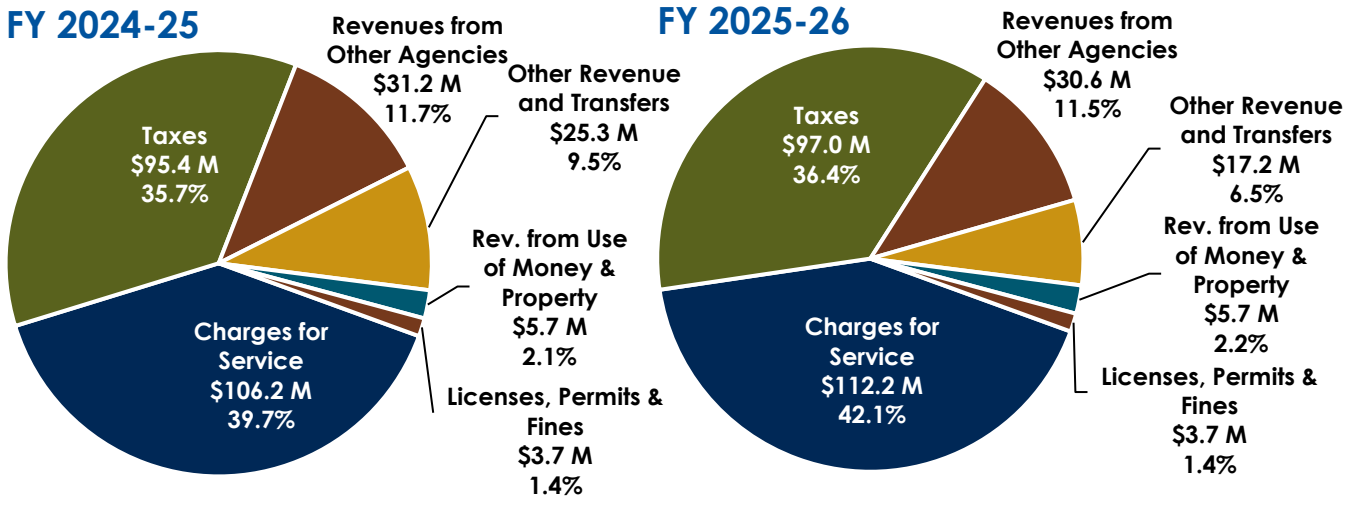
REVENUE PROJECTION METHODS

The calculation of revenue estimates is the first step in the preparation of the 2024-26 Budget. Also essential to any budget is the development of economic assumptions. These are used to forecast changes to baseline revenue and expenditure levels to develop budget parameters.

Revenue estimates are prepared separately for each of the two fiscal years. For 2024-25 projections were based on 2023-24 mid-year revenues-to-date and emerging financial trends. Based on all available information, the City is projecting that in 2024-25 the General Fund and Measure U revenues will fall short of operational and capital expenses in each fund by $16.91 million and $4.41 million, respectively, for a combined total of $21.32 million. The City's longstanding multimillion-dollar structural deficit has persisted since 2008-09. Staff sought City Council direction to close the gap by using the Local Economic Augmentation Fund (LEAF) reserves.

SOURCES OF OPERATING REVENUE

The City of Santa Maria categorizes operating revenues into six major categories, each with distinct revenue characteristics. Operating revenues and transfers in are anticipated to be $267.6 million in FY 2024-25 and $266.5 million in FY 2025-26; excluding transfers in, operating revenues are expected to total $246.4 million in FY 2024-25 and $253.5 million in FY 2025-26. The following charts provide a breakdown of revenue by major revenue type.


FY 2024-25
Revenues from Other Agencies $31.2 M 11.7%
Other Revenue and Transfers $25.3 M 9.5%
Taxes $95.4 M 35.7%
Rev. from Use of Money & Property $5.7 M 2.1%
Charges for Service $106.2 M 39.7%
Licenses, Permits & Fines $3.7 M 1.4%
FY 2025-26
Revenues from Other Agencies $30.6 M 11.5%
Other Revenue and Transfers $17.2 M 6.5%
Taxes $97.0 M 36.4%
Rev. from Use of Money & Property $5.7 M 2.2%
Charges for Service $112.2 M 42.1%
Licenses, Permits & Fines $3.7 M 1.4%

TAXES

The Taxes revenue category includes Sales Tax, Measure U Transaction & Use Tax, Property Tax, Hotel/Bed Tax, Franchises, Business License, and Property Transfer. Data sources used to project these revenues include industry experts, current economic data, consultants, and historical revenue performance. The largest sources of taxes reside in the General Fund and Measure U, as listed in the following table.

LICENSES, PERMITS & FINES

Licenses, Permits & Fines revenue is received by the General Fund through the collection of charges designed to reimburse the City for costs of regulating activities being licensed, such as licensing of animals, bicycles, etc. and revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction. Information used to project revenues in this category includes industry experts, feedback from the development community, current economic data, and historical revenue performance.

REVENUES FROM USE OF MONEY & PROPERTY

Revenues from Use of Money & Property include interest income, lease revenue, loan repayments. Revenue projections are based on lease and rental contracts, historical trends, and any known factors.

REVENUES FROM OTHER AGENCIES

Revenues from Other Agencies come from other government agencies, primarily the state and federal governments. These revenues include general or categorical support, such as reimbursements for state mandates and mutual aid reimbursement. Intergovernmental revenue projections are developed by City departments and reviewed by Finance. Information used to project these revenues includes feedback from various state/federal agencies and historical revenue performance.

CHARGES FOR SERVICES

Charges for Services is the City's largest revenue source and includes fees collected for utility services; library; transportation; parks and recreational services; and cost recovery fees. Revenue projections for Charges for Services are developed collaboratively by Finance and the City department administering the fee; projections are based on historical trends, economic factors, and current demand for services. Other information used to project these revenues include weather models, historical revenue performance, relevant economic factors, and projected increases due to new development.

Within the Charges for Services category, scheduled rate increases are incorporated into the City's FY 2024-26 biennial budget.

OTHER REVENUES & TRANSFERS

Other Revenue includes operating transfers in, cost allocation transfers, and other miscellaneous revenue such as claims recovery and the sale of land, buildings, salvaged materials, and equipment. Revenue projections are based on historical trends, and any known factors, such as the planned sale of property.

LANDSCAPE SERVICES, MITIGATION, & GRANT FUNDS

GROWTH MITIGATION

The Growth Mitigation Fund accounts for the receipts of developer fees as approved under the State of California Assembly Bill (AB) 1600. AB 1600 allows public agencies to charge developers for the incremental cost of services required by the new development. The use of AB 1600 fees and the need for public improvement must be related to the development. The City's AB 1600 fees are "growth mitigation fees", and are to pay for traffic, recreation and parks facilities, public safety facilities, and water/wastewater infrastructure.

ASSESSMENT DISTRICTS/LANDSCAPE SERVICES

Assessment Districts / Landscape Services revenue generally includes taxes generated in certain geographic areas of the City for specific purposes (e.g., landscape services, street lighting, and infrastructure needs). Information used to project these revenues includes levy revenues inclusive of projected adjustments and any cap on revenue established during the development of the special district, where applicable.

STOWELL PARKING & LIGHTING DISTRICT

The Stowell Parking and Lighting Fund is used to account for property tax revenues that are restricted to providing lighting and landscaping services to the Stowell Plaza Shopping Center. The Stowell Parking and Lighting Maintenance District was formed in 1961 for parking lot and landscaping maintenance of the Stowell Plaza Shopping Center. The maintenance work is performed by an

independent contractor, with the City's Recreation and Parks Department monitoring the contract and maintenance work. Stowell Plaza Shopping Center's property owners pay an ad valorem tax.

GRANT FUNDS

The Supplemental Law Enforcement Service – COPS Fund accounts for the State of California's COPS grant fund revenue that is restricted to support front-line law enforcement services with an emphasis on supporting salary and benefits. The City uses this revenue to match a Federal grant to pay for three officers.

The Federal/State Asset Forfeiture Fund accounts for all funds received through State and Federal agencies for drug seizures in which the City participates. These funds must be used to supplement, not supplant, the Police Department's normal operating budget. The amount of revenue varies from year to year based on activity levels.

CAPITAL PROJECT FUNDS

The Capital Projects – General Fund is used to account for the purchase and construction of capital assets for the General Fund. Appropriations are made annually from the fund.

The Gas Tax and Transportation Development Act Fund is used to account for the City's share of State and Santa Barbara County gasoline tax collected following the provisions of the State's Streets and Highway Code. Revenues are disbursed by the State based on population and used toward maintenance and repair of City streets that serve as State and County thoroughfares. This fund is used for preventative annual maintenance of streets and appurtenant facilities and the construction of new public infrastructure within public rights-of-way. It is used for administrative, operational, materials, equipment, and labor costs for the construction of public infrastructure.

The Developer / Grant Street Projects – Fund is supported by specific street type grants and contributions by developers for the construction of streets and appurtenant facilities. Administrative, materials, equipment, and labor costs associated with street-related projects funded by sources other than gas tax or sales tax revenues are paid from this fund. Examples of public infrastructure built with developer and grant funds include roadway extensions, new bikeways, roadway operational improvements, and roadway safety enhancements.

SCHEDULE OF REVENUES

REVENUE BY FUND AND TYPE	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
GENERAL FUND (FUND 001)					
Taxes	$ 64,887,510	$ 67,451,275	$ 68,265,459	$ 68,881,601	$ 70,273,610
Licenses, Permits & Fines	4,621,029	4,211,829	3,253,334	3,325,334	3,323,334
Revenue from Use of Money & Property	(4,671,324)	461,487	2,959,513	2,959,513	2,959,513
Revenues from Other Agencies	11,390,811	1,393,428	486,486	573,676	573,676
Charges for Services	7,630,352	6,953,692	6,098,979	7,298,921	7,516,939
Other Revenue	394,933	387,970	227,656	209,376	209,426
Transfers	4,735,154	6,747,589	9,544,661	16,900,130	8,563,862
Subtotal General Fund	**$ 88,988,466**	**$ 87,607,269**	**$ 90,836,088**	**$ 100,148,551**	**$ 93,420,360**
MEASURE U (FUND 011)					
Measure U Transaction & Use Tax	$ 25,934,795	$ 26,461,516	$ 26,715,000	$ 26,544,951	$ 26,715,000
Interest Income	(432,592)	642,979	171,354	171,354	171,354
Total Revenues & Transfers In	**$ 25,502,203**	**$ 27,104,495**	**$ 26,886,354**	**$ 26,716,305**	**$ 26,886,354**
TOTAL GENERAL FUND	**$ 114,490,669**	**$ 114,711,765**	**$ 117,722,442**	**$ 126,864,856**	**$ 120,306,714**
WATER RESOURCES (FUNDS 002 & 004)					
Water Sales	$ 42,875,926	$ 41,981,610	$ 40,160,843	$ 44,994,344	$ 49,150,770
Wastewater Charges	12,801,359	13,402,945	12,167,705	13,485,034	13,542,536
Connections & Reimbursements	522,831	1,085,841	550,000	555,500	561,055
Interest Income	(3,773,177)	798,563	1,426,497	1,426,497	1,426,497
Other	3,009,077	1,143,106	717,425	948,622	1,053,290
Total Revenues & Transfers In	**$ 55,436,017**	**$ 58,412,065**	**$ 55,022,470**	**$ 61,409,997**	**$ 65,734,148**
SOLID WASTE (FUNDS 003 & 010)					
Charges for Service	$ 29,361,968	$ 31,737,579	$ 32,017,148	$ 36,649,168	$ 38,165,777
Interest Income	(1,749,670)	324,688	720,094	720,094	720,094
Other Income	1,681,590	6,908,405	126,605	152,979	155,272
State Grants	184,798	66,258	-	-	-
Total Revenues & Transfers In	**$ 29,478,686**	**$ 39,036,931**	**$ 32,863,847**	**$ 37,522,241**	**$ 39,041,143**
PUBLIC TRANSIT (FUNDS 066 & 067)					
Federal Grant - Operating	$ 66,956	$ (5,181,101)	$ 4,199,207	$ 4,228,069	$ 4,228,069
Federal Grant - Capital	-	(3,357,172)	7,051,609	9,803,637	9,803,637
State Gas Tax	6,697,019	4,468,034	5,464,920	7,415,648	7,416,376
Passenger Fares	698,236	649,031	943,157	647,841	696,461

REVENUE BY FUND AND TYPE	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Interest	261,981	415,401	325,965	325,965	325,965
Other	(934,176)	(202,729)	1,922,500	1,175,000	1,175,000
Total Revenues & Transfers In	**$ 6,790,016**	**$ (3,208,535)**	**$ 19,907,358**	**$ 23,596,160**	**$ 23,645,508**
RADIO/TECHNOLOGY FUND (FUND 023)					
Charges for Service	$ 13,737	$ 15,819	$ 14,970	$ 14,970	$ 14,970
Interest Income	-	-	17,429	17,429	17,429
Operating Transfers In	1,697,061	1,486,580	1,697,060	1,697,060	1,697,060
Other	-	-	-	-	-
Total Revenues & Transfers In	**$ 1,710,798**	**$ 1,502,399**	**$ 1,729,459**	**$ 1,729,459**	**$ 1,729,459**
TOTAL ENTERPRISE FUNDS	**$ 93,415,517**	**$ 95,742,859**	**$ 109,523,134**	**$ 124,257,857**	**$ 130,150,258**
SPECIAL REVENUE FUNDS					
LIBRARY (FUND 009)					
County Grants	$ 1,555,827	$ 1,677,996	$ 1,387,614	$ 1,387,614	$ 1,387,614
State Grants	35,600	182,532	-	-	-
Charges for Service	258,658	247,495	156,263	156,263	156,263
Operating Transfers In	1,350,030	2,237,340	2,666,110	3,973,660	4,148,705
Total Revenues & Transfers In	**$ 3,200,115**	**$ 4,345,363**	**$ 4,209,987**	**$ 5,517,537**	**$ 5,692,582**
TRAFFIC SAFETY (FUND 013)					
Franchise Grant	$ 324,187	$ 336,753	$ 370,000	$ 370,000	$ 370,000
Total Revenues & Transfers In	**$ 324,187**	**$ 336,753**	**$ 370,000**	**$ 370,000**	**$ 370,000**
PARK ACQUSITION (FUND 016)					
Park Acquisition Fees	$ 935,506	$ 302,419	$ 629,623	$ 629,623	$ 629,623
Total Revenues & Transfers In	**$ 935,506**	**$ 302,419**	**$ 629,623**	**$ 629,623**	**$ 629,623**
RESIDENTIAL DEV TAX (FUND 028)					
Park Development Fees	$ (43,146)	$ 64,844	$ 66,880	$ 66,880	$ 66,880
Total Revenues & Transfers In	**$ (43,146)**	**$ 64,844**	**$ 66,880**	**$ 66,880**	**$ 66,880**
ECONOMIC DEVELOPMENT (FUND 040)					
Loan Repayments	$ (17,892)	$ 6,781	$ 6,880	$ 6,880	$ 6,880
Total Revenues & Transfers In	**$ (17,892)**	**$ 6,781**	**$ 6,880**	**$ 6,880**	**$ 6,880**
COUNTY MEASURE A (FUND 068)					
Sales Tax (County 1/2 % - Meas A)	$ 7,589,141	$ 7,731,517	$ 7,456,129	$ 7,638,677	$ 7,024,081

REVENUE BY FUND AND TYPE	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Interest Income	(307,612)	106,611	105,950	105,950	105,950
Other	423,407	32,938	252,700	252,700	252,700
Total Revenues & Transfers In	**$ 7,704,936**	**$ 7,871,065**	**$ 7,814,779**	**$ 7,997,327**	**$ 7,382,731**
CDBG (FUND 948)					
CDBG Federal Grants	$ 1,081,031	$ 2,751,275	$ 1,416,952	$ 1,540,952	$ 1,540,952
Program Income	(4,590)	15,044	139,507	24,131	24,131
Total Revenues & Transfers In	**$ 1,076,441**	**$ 2,766,319**	**$ 1,556,459**	**$ 1,565,083**	**$ 1,565,083**
SM COMMUNITY TV (FUND 998)					
Franchise Grant	$ 284,697	$ 260,709	$ 262,500	$ 240,000	$ 240,000
PEG Access-Contributions	50,000	50,000	51,000	50,000	50,000
PEG-Program Revenue	-	59	3,200	-	-
Interest Income	(18,119)	2,541	4,128	4,128	4,128
Total Revenues & Transfers In	**$ 316,578**	**$ 313,309**	**$ 320,828**	**$ 294,128**	**$ 294,128**
TOTAL SPECIAL REVENUE FUNDS	**$ 13,496,724**	**$ 16,006,854**	**$ 14,975,436**	**$ 16,447,458**	**$ 16,007,907**
TOTAL OPERATING FUNDS	**$ 221,402,909**	**$ 226,461,478**	**$ 242,221,012**	**$ 267,570,171**	**$ 266,464,879**
LANDSCAPE SERVICES, MITIGATION & GRANT FUNDS					
Growth Mitigation	$ 188,302	$ 2,589,634	$ 4,733,351	$ 4,733,351	$ 4,733,351
Landscape Services	6,228,094	6,769,081	6,956,567	7,232,873	7,249,393
Stowell Parking & Lighting District	20,936	34,793	86,800	86,800	86,800
Grant Funds	-	-	-	-	-
Total Landscape Services, Mitigation & Grant Funds	**$ 6,437,333**	**$ 9,393,507**	**$ 11,776,718**	**$ 12,053,024**	**$ 12,069,544**
CAPITAL PROJECT FUNDS					
General Fund Capital Projects	$ 1,011,602	$ 1,667,931	$ 10,211,934	$ 2,244,802	$ 2,244,802
Gas Tax & Local Transportation	4,732,270	5,342,990	5,900,964	6,064,282	6,066,045
Developer / Grant Street Projects	1,138,626	357,235	2,077,000	3,327,000	8,608,000
Total Capital Project Funds	**$ 6,882,497**	**$ 7,368,156**	**$ 18,189,898**	**$ 11,636,084**	**$ 16,918,847**
INTERNAL SERVICE FUNDS					
Fleet Services	$ 11,170,588	$ 13,513,538	$ 10,989,715	$ 10,989,715	$ 10,989,715
Equipment	4,232,144	3,735,109	4,400,941	4,400,941	4,400,941
Local Economic Augmentation Fund	-	-	-	-	-
Insurance Funds	9,050,560	13,651,350	13,650,425	13,428,500	13,428,500

REVENUE BY FUND AND TYPE					
	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Total Internal Service Funds	$ 24,453,292	$ 30,899,997	$ 29,041,081	$ 28,819,156	$ 28,819,156
Total Revenues and Transfers In	$259,176,032	$274,123,139	$301,228,709	$ 320,078,435	$ 324,272,426

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EXPENDITURE OVERVIEW

City of Santa Maria

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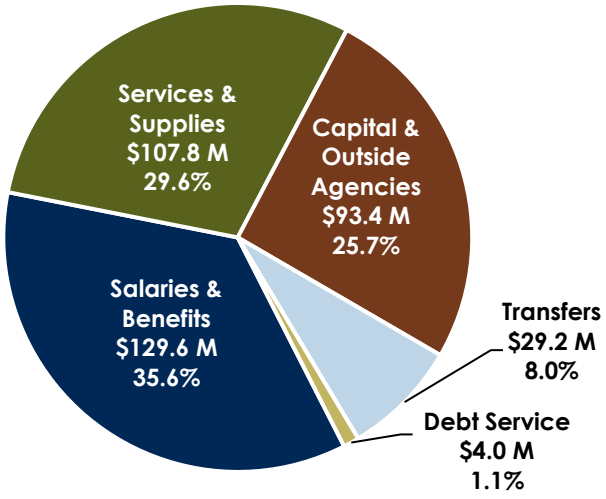
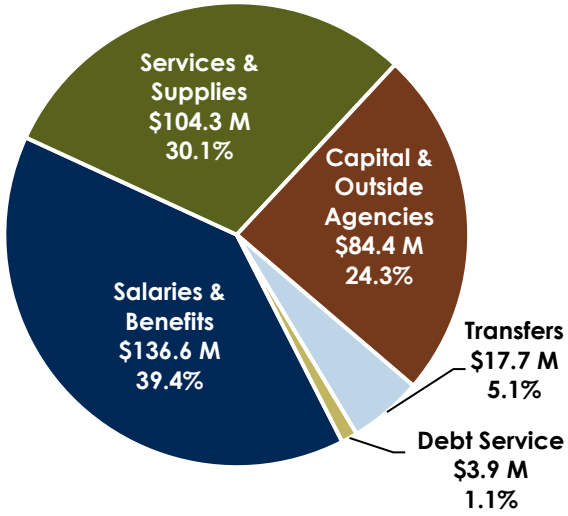
CITYWIDE OVERVIEW

The City's FY 2024-26 Biennial Budget totals $364.0 million in FY 2024-25 and $346.9 million in FY 2025-26, inclusive of capital, maintenance and equipment project budgets.

FY 2024-25


Services & Supplies $107.8 M 29.6%
Capital & Outside Agencies $93.4 M 25.7%
Salaries & Benefits $129.6 M 35.6%
Transfers $29.2 M 8.0%
Debt Service $4.0 M 1.1%

FY 2025-26


Services & Supplies $104.3 M 30.1%
Capital & Outside Agencies $84.4 M 24.3%
Salaries & Benefits $136.6 M 39.4%
Transfers $17.7 M 5.1%
Debt Service $3.9 M 1.1%

EXPENDITURE CATEGORIES

PERSONNEL

Personnel costs are the first largest spending category of the City and include salaries, benefits, workers compensation insurance, and retirement costs, including the CalPERS UAL.

Citywide personnel costs total approximately $129.6 million in FY 2024-25 and $136.6 million in FY 2025-26, with Public Safety departments contributing nearly 50 percent of that amount for both fiscal years. In FY 2024-25, Measure U funds $24.8 million in FY 2024-25 in City personnel costs, including $10.9 million of Police Department personnel costs and $9.9 of total Fire Department personnel costs.

CAPITAL & OUTSIDE AGENCIES

CAPITAL

In all, the adopted Capital Projects Budget for 2024-26 consists of 64 capital projects representing approximately $115.9 million in appropriations.

For comparison purposes, the 2022-24 Budget consisted of 151 capital projects totaling $140.7 million in appropriations.

The Capital Projects – General Fund has $3.5 million in capital expenditures for 2024-25 and $2.8 million in 2025-26.

OUTSIDE AGENCIES

The City contracts with the Santa Maria Valley Chamber of Commerce to facilitate community vitality through economic prosperity. This partnership focuses on the Chamber providing business support, attraction, and retention under the Economic Development Commission (since 2004) and tourism marketing through the Visitors Bureau (since at least 1978). The City's 2022-23 and 2023-24 contributions toward the Economic Development Commission were $217,000 and $222,500, respectively. The City's 2022-23 and 2023-24 contribution toward the Visitors Bureau were $593,000 and $608,000, respectively. Given current City efforts in economic development and tourism, such as downtown revitalization, and other changing conditions locally and regionally, the City will conduct an overall assessment and evaluation of economic development and tourism needs, with review and recommendations by an

outside consultant, and with input from stakeholders. This effort will begin at the start of 2024-25. During this time, the City will move to short-term contracts with the Chamber of Commerce. Staff proposes a month-to-month contract prorated at the current 2023-24 contract amount.

The Santa Maria Valley Historical Society preserves the Santa Maria traditions important to the community and it is a resource to all City departments for projects and information. It offers free services to those it serves. The museum building was given to the City and the City maintains the building for use by the museum and Chamber of Commerce. There is a longer-term need to house these two functions in separate buildings as each has outgrown its respective portions of the building. In the fiscal year 2019-20, the Santa Maria Valley Historical Society was allocated $20,000 from the City. For the fiscal year 2020-21, the Santa Maria Valley Historical Society requested $30,000 in annual funding from the City but due to budget constraints, the annual funding for 2020-22 was set at $18,600. Staff is recommending funding of $20,000 in 2024-25 and 2025-26.

The Santa Maria Museum of Flight serves as a preservationist of past, present, and future aerospace and aeronautical artifacts, historical documents, and memorabilia of the Santa Maria Valley. Its focus is on the right aviation history of the Santa Maria Valley; the museum is located at Santa Maria Airport. The Museum received $20,000 in funding from the City in 2019-20 but none in 2020-22 after several attempts by the City to receive contractual financial information, as required by the contract. Communication resumed in 2021 and the Museum received $20,000 in funding from the City in 2022-24. For 2024-26, staff is recommending a contribution of $20,000 in both years.

The Northern Santa Barbara County United Way, based in Santa Maria, operates the AmeriCorps/Home for Good Santa Barbara County program, to coordinate homeless outreach services in the City of Santa Maria. Funding was set at $22,320 in 2021-22. The program is transitioning from outreach and data collection to a focus on housing retention. To continue the partnership with Santa Maria, the recommended annual funding for each year has been set at $30,000 since 2022-24.

DEBT SERVICE

The debt service budget includes current principal and interest obligations, fiscal charges, and other related costs. Estimated future debt service expenditures are based on the City's debt repayment schedule. Actual debt obligations may vary from the budget due to variable interest rates and interest credits applied in the debt schedule.

SCHEDULE OF EXPENDITURES

The following pages include the Schedule of Expenditures. Additional expenditure schedules by department are included in the *Department Budget Detail* section beginning on page 209.

SCHEDULE OF EXPENDITURES	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
GENERAL FUND AND MEASURE U FUND					
Salaries & Benefits	$ 67,118,910	$ 76,045,636	$ 87,409,488	$ 97,881,807	$ 103,083,501
Services & Supplies	19,512,904	23,196,132	26,091,973	27,922,941	27,837,446
Total Operating Cost	**$ 86,631,813**	**$ 99,241,769**	**$ 113,501,461**	**$ 125,804,748**	**$ 130,920,947**
Capital & Outside Agencies	1,910,737	2,802,525	7,642,263	2,404,040	1,139,040
Debt Service	920,148	634,210	266,912	266,912	266,911
Transfers	2,481,936	5,143,222	5,515,081	11,373,161	8,218,206
Total General Fund	**$ 91,944,635**	**$ 107,821,726**	**$ 126,925,717**	**$ 139,848,861**	**$ 140,545,104**
SUMMARY OF SERVICE PROGRAMS					
General Fund:					
Mayor & Council	$ 169,075	$ 191,316	$ 206,907	$ 210,716	$ 227,015
City Attorney	1,040,743	1,239,008	1,365,659	1,816,866	1,878,493
City Manager	7,485,873	7,510,465	9,202,952	11,626,021	11,917,704
Finance	5,290,042	6,708,433	8,319,559	15,203,664	12,229,624
Community Development	4,033,288	5,573,366	6,621,183	6,087,166	6,350,535
Recreation & Parks	9,630,660	10,931,403	12,406,896	12,992,292	13,232,582
Fire	12,814,447	11,420,799	11,037,012	13,762,535	14,195,037
Police	28,350,554	33,056,315	36,802,344	41,626,826	43,405,481
Public Works	3,270,457	3,725,348	4,873,576	5,392,822	5,665,389
Sub-Total General Fund	$ 72,085,139	$ 80,356,453	$ 90,836,088	$ 108,718,908	$ 109,101,860
Police	$ 9,474,071	$ 11,639,340	$ 12,267,733	$ 12,835,790	$ 13,568,555
Fire	7,295,781	11,337,050	17,888,663	11,945,878	12,561,827
Recreation & Parks	1,917,985	3,081,760	3,590,221	3,071,312	3,152,287
Library	619,072	826,690	1,187,827	1,014,709	1,025,970
Community Development	-	418,140	963,250	824,287	884,148
City Attorney	434,130	142,532	-	-	-
City Manager	9,643	19,761	189,335	1,435,220	247,700
Finance	108,814	-	2,600	2,757	2,757
Sub-Total Measure U Fund	$ 19,859,496	$ 27,465,273	$ 36,089,629	$ 31,129,953	$ 31,443,244
TOTAL GENERAL FUND	**$ 91,944,635**	**$ 107,821,726**	**$ 126,925,717**	**$ 139,848,861**	**$ 140,545,104**
OPERATING PROGRAMS					
Salaries & Benefits	$ 82,400,617	$ 95,939,379	$ 110,644,892	$ 125,314,777	$ 132,043,238
Services & Supplies	58,676,618	73,571,212	75,176,365	78,567,565	77,744,184
Total Operating Cost	**$ 141,077,235**	**$ 169,510,591**	**$ 185,821,257**	**$ 203,882,342**	**$ 209,787,422**
Capital & Outside Agencies	17,909,839	29,855,092	76,247,459	65,724,856	61,875,602
Debt Service	5,506,522	2,012,136	3,890,262	3,889,012	3,892,511

SCHEDULE OF EXPENDITURES	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Transfers	5,310,495	10,881,797	10,972,118	17,918,093	14,763,138
Total	**$169,804,090**	**$212,259,615**	**$276,931,096**	**$ 291,414,303**	**$ 290,318,673**
SUMMARY OF SERVICE PROGRAMS					
General & Measure U	$ 91,944,635	$ 107,821,726	$ 126,925,717	$ 139,848,861	$ 140,545,104
Water Resources	22,856,880	42,991,359	75,538,085	64,055,323	77,154,826
Solid Waste	36,717,522	36,557,135	38,570,472	54,134,822	37,815,781
Public Transit	7,573,204	9,506,731	19,091,609	15,638,045	16,224,857
Radio/Technology	722,540	765,392	983,903	839,188	872,663
Library	3,331,160	4,064,467	4,489,597	5,517,537	5,692,582
Park Acquisition & Development	641,241	855,194	757,000	150,000	150,000
Residential Development Tax	127,602	117,803	150,000	500,000	500,000
Economic Development	-	60,000	130,000	130,000	130,000
County Measure A	4,548,218	6,191,685	8,398,204	8,551,450	9,201,358
Community Development Block Grant	754,797	2,760,612	1,416,952	1,540,952	1,540,952
SM Community TV	215,015	236,121	139,307	167,875	150,300
Traffic Safety	371,277	331,390	340,250	340,250	340,250
Total Operating Funds	**$ 169,804,090**	**$ 212,259,615**	**$ 276,931,096**	**$ 291,414,303**	**$ 290,318,673**
Landscape Services, Mitigation & Grant Funds	6,987,871	7,901,381	15,002,407	15,250,827	11,926,185
Capital Projects	6,905,073	11,544,428	22,936,551	11,636,527	15,733,703
Internal Service Funds	17,066,413	13,590,130	43,623,944	45,673,925	28,886,745
GRAND TOTAL	**$ 200,763,448**	**$ 245,295,553**	**$ 358,493,998**	**$ 363,975,582**	**$ 346,865,306**

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FUND ANALYSIS FOR 2023-24

Fund	Unaudited 06/30/23 Unrestricted Fund Balance	FINANCING SOURCES: Resources: Expected Revenue	FINANCING SOURCES: Resources: Transfers In	FINANCING SOURCES: Total Available Financing	FINANCING USES: Uses: Expenditures	FINANCING USES: Uses: Transfers Out	FINANCING USES: Total Financing Uses	Estimated 6/30/24 Unrestricted Fund Balance
GENERAL FUND								
General	$ 10,071,920	$ 80,749,746	$ 9,561,312	$ 90,311,058	$ 87,530,150	$ 4,282,471	$ 91,812,621	$ 8,570,357
Measure U	17,105,068	25,881,016	-	25,881,016	36,734,659	1,837,777	38,572,436	4,413,648
TOTAL GENERAL FUND	**27,176,988**	**106,630,762**	**9,561,312**	**116,192,074**	**124,264,809**	**6,120,248**	**130,385,057**	**12,984,005**
ENTERPRISE FUNDS								
Water Resources	127,389,721	59,910,577		59,910,577	88,071,825	2,178,952	90,250,777	97,049,521
Solid Waste	37,817,255	36,015,353		36,015,353	46,059,925	1,658,927	47,718,852	26,113,756
Public Transit	(3,407,330)	72,841,216		72,841,216	43,956,484	111,216	44,067,700	25,366,186
Radio	3,786,399	1,729,459		1,729,459	972,199	18,694	990,893	4,524,965
TOTAL ENTERPRISE FUNDS	**165,586,045**	**170,496,605**	**-**	**170,496,605**	**179,060,433**	**3,967,789**	**183,028,222**	**153,054,428**
SPECIAL REVENUE FUNDS								
Library	1,443,367	2,216,376	955,047	3,171,423	4,079,811	534,979	4,614,790	-
Park Acq. & Dev. (Quimby)	(83,149)	629,623		629,623	223,146	-	223,146	323,328
Park Residential Development Tax	1,919,471	66,880		66,880	182,210	-	182,210	1,804,141
Economic Development	397,899	6,880		6,880	130,000	-	130,000	274,779
County Measure A	11,215,262	7,606,931	210,000	7,816,931	9,908,866	1,317,990	11,226,856	7,805,337
CDBG - Block Grant	105,488	2,787,268		2,787,268	1,135,682	1,621,586	2,757,268	135,488
SM Community TV	638,489	270,828	50,000	320,828	109,342	32,511	141,853	817,464
Traffic Safety	17,960	384,070		384,070	40,250	300,000	340,250	61,780
Total Special Revenue Funds	**15,654,787**	**13,968,856**	**1,215,047**	**15,183,903**	**15,809,307**	**3,807,066**	**19,616,373**	**11,222,317**
TOTAL OPERATING FUNDS	**208,417,820**	**291,096,223**	**10,776,359**	**301,872,582**	**319,134,549**	**13,895,103**	**333,029,652**	**177,260,750**
LANDSCAPE SERVICES, MITIGATION, & GRANT FUNDS								
Growth Mitigation	44,255,568	4,876,341		4,876,341	14,072,079	-	14,072,079	35,059,830
Landscape Services	1,012,452	4,994,623	2,230,983	7,225,606	6,343,533	2,048,013	8,391,546	(153,488)
Parking & Lighting District	299,838	86,800		86,800	30,960	1,297	32,257	354,381
Grant Funds	1,128,697	-		-	-	-	-	1,128,697
Total Landscape Services, Mitigation, & Grant Funds	**46,696,555**	**9,957,764**	**2,230,983**	**12,188,747**	**20,446,572**	**2,049,310**	**22,495,882**	**36,389,420**
CAPITAL PROJECTS FUNDS								
General Fund Capital Projects	19,455,844	11,200,000	12,733,866	23,933,866	32,760,738	-	32,760,738	10,628,972
Gas Tax & Local Transportation	1,788,947	5,841,905		5,841,905	6,887,965	655,492	7,543,457	87,395
Developer / Grant Street Projects	2,018,741	3,940,819		3,940,819	5,629,067	-	5,629,067	330,493
Total Capital Projects Funds	**23,263,532**	**20,982,724**	**12,733,866**	**33,716,590**	**45,277,770**	**655,492**	**45,933,262**	**11,046,860**
INTERNAL SERVICE FUNDS								
Fleet Services	18,559,480	11,073,662		11,073,662	23,526,592	199,639	23,726,231	5,906,911
Equipment	17,468,613	4,400,941		4,400,941	4,931,280	4,659	4,935,939	16,933,615
LEAF Fund	19,473,473			-	-	8,861,825	8,861,825	10,611,648
Insurance Funds	5,143,299	13,751,500		13,751,500	15,313,286	75,180	15,388,466	3,506,333
Total Internal Service Funds	**60,644,865**	**29,226,103**	**-**	**29,226,103**	**43,771,158**	**9,141,303**	**52,912,461**	**36,958,507**
GRAND TOTAL	**339,022,768**	**351,262,814**	**25,741,208**	**377,004,022**	**428,630,049**	**25,741,208**	**454,371,257**	**261,655,537**

FUND ANALYSIS FOR 2024-25

Fund	Estimated 6/30/24 Unrestricted Fund Balance	FINANCING SOURCES: Resources: Expected Revenue	FINANCING SOURCES: Resources: Transfers In	FINANCING SOURCES: Total Available Financing	FINANCING USES: Uses: Appropriations	FINANCING USES: Uses: Transfers Out	FINANCING USES: Total Financing Uses	Estimated 6/30/25 Unrestricted Fund Balance
GENERAL FUND								
General	$ 8,570,357	$ 83,248,421	$ 16,900,130	$ 100,148,551	$ 98,590,900	$ 10,128,008	$ 108,718,908	$ -
Measure	4,413,648	26,716,305	-	26,716,305	29,884,800	1,245,153	31,129,953	-
TOTAL GENERAL FUND	**12,984,005**	**109,964,726**	**16,900,130**	**126,864,856**	**128,475,700**	**11,373,161**	**139,848,861**	**-**
ENTERPRISE FUNDS								
Water Resources	97,049,521	61,409,997		61,409,997	62,490,236	1,565,087	64,055,323	94,404,195
Solid Waste	26,113,756	37,522,241		37,522,241	52,836,398	1,298,424	54,134,822	9,501,175
Public Transit	25,366,186	23,596,160		23,596,160	15,267,241	370,804	15,638,045	33,324,301
Radio	4,524,965	1,729,459		1,729,459	806,094	33,094	839,188	5,415,236
Total Enterprise Funds:	**153,054,428**	**124,257,857**	**-**	**124,257,857**	**131,399,969**	**3,267,409**	**134,667,378**	**142,644,907**
SPECIAL REVENUE FUNDS								
Library	-	1,543,877	3,973,660	5,517,537	4,685,490	832,047	5,517,537	-
Park Acq. & Dev. (Quimby)	323,328	629,623		629,623	150,000	-	150,000	802,951
Park Residential Development Tax	1,804,141	66,880		66,880	500,000	-	500,000	1,371,021
Economic Development	274,779	6,880		6,880	130,000	-	130,000	151,659
County Measure A	7,805,337	7,787,327	210,000	7,997,327	7,150,048	1,401,402	8,551,450	7,251,214
CDBG - Block Grant	135,488	1,565,083		1,565,083	827,628	713,324	1,540,952	159,619
SM Community TV	817,464	244,128	50,000	294,128	137,125	30,750	167,875	943,717
Traffic Safety	61,780	370,000		370,000	40,250	300,000	340,250	91,530
Total Special Revenue Funds	**11,222,317**	**12,213,798**	**4,233,660**	**16,447,458**	**13,620,541**	**3,277,523**	**16,898,064**	**10,771,711**
TOTAL OPERATING FUNDS	**177,260,750**	**246,436,381**	**21,133,790**	**267,570,171**	**273,496,210**	**17,918,093**	**291,414,303**	**153,416,618**
LANDSCAPE SERVICES, MITIGATION, & GRANT FUNDS								
Growth Mitigation	35,059,830	4,733,351		4,733,351	8,167,000	-	8,167,000	31,626,181
Landscape Services	(153,488)	5,105,876	2,126,997	7,232,873	5,162,220	1,889,941	7,052,161	27,224
Parking & Lighting District	354,381	86,800		86,800	30,804	862	31,666	409,515
Grant Funds	1,128,697	-		-	-	-	-	1,128,697
Total Landscape Services, Mitigation, & Grant Funds	**36,389,420**	**9,926,027**	**2,126,997**	**12,053,024**	**13,360,024**	**1,890,803**	**15,250,827**	**33,191,617**
CAPITAL PROJECTS FUNDS				-				
General Fund Capital Projects*	10,628,972		2,244,802	2,244,802	3,507,850	-	3,507,850	9,365,924
Gas Tax & Local Transportation	87,395	6,064,282		6,064,282	5,500,742	650,935	6,151,677	-
Developer / Grant Street Projects	330,493	3,327,000		3,327,000	1,977,000	-	1,977,000	1,680,493
Total Capital Projects Funds	**11,046,860**	**9,391,282**	**2,244,802**	**11,636,084**	**10,985,592**	**650,935**	**11,636,527**	**11,046,417**
INTERNAL SERVICE FUNDS								
Fleet Services	5,906,911	10,989,715		10,989,715	14,235,898	301,651	14,537,549	2,359,077
Equipment	16,933,615	4,400,941		4,400,941	3,743,088	5,036	3,748,124	17,586,432
LEAF Fund	10,611,648			-	-	8,336,268	8,336,268	2,275,380
Insurance Funds	3,506,333	13,428,500	3,730,000	17,158,500	18,919,181	132,803	19,051,984	1,612,849
Total Internal Service Funds	**36,958,507**	**28,819,156**	**3,730,000**	**32,549,156**	**36,898,167**	**8,775,758**	**45,673,925**	**23,833,738**
GRAND TOTAL	**261,655,537**	**294,572,846**	**29,235,589**	**323,808,435**	**334,739,993**	**29,235,589**	**363,975,582**	**221,488,390**

FUND ANALYSIS FOR 2025-26

Fund	Estimated 6/30/25 Unrestricted Fund Balance	FINANCING SOURCES: Resources: Expected Revenue	FINANCING SOURCES: Resources: Transfers In	FINANCING SOURCES: Total Available Financing	FINANCING USES: Uses: Appropriations	FINANCING USES: Uses: Transfers Out	FINANCING USES: Total Financing Uses	Estimated 6/30/26 Unrestricted Fund Balance
GENERAL FUND								
General	$ -	$ 84,856,498	$ 8,563,862	$ 93,420,360	$ 102,128,807	$ 6,973,053	$ 109,101,860	$ (15,681,500)
Measure U	-	26,886,354	-	26,886,354	30,198,091	1,245,153	31,443,244	(4,556,890)
TOTAL GENERAL FUND	**-**	**111,742,852**	**8,563,862**	**120,306,714**	**132,326,898**	**8,218,206**	**140,545,104**	**(20,238,390)**
ENTERPRISE FUNDS								
Water Resources	94,404,195	65,734,148		65,734,148	75,589,739	1,565,087	77,154,826	82,983,517
Solid Waste	9,501,175	39,041,143		39,041,143	36,517,357	1,298,424	37,815,781	10,726,537
Public Transit	33,324,301	23,645,508		23,645,508	15,854,053	370,804	16,224,857	40,744,952
Radio	5,415,236	1,729,459		1,729,459	839,569	33,094	872,663	6,272,032
Total Enterprise Funds:	**142,644,907**	**130,150,258**	**-**	**130,150,258**	**128,800,718**	**3,267,409**	**132,068,127**	**140,727,038**
SPECIAL REVENUE FUNDS								
Library	-	1,543,877	4,148,705	5,692,582	4,860,535	832,047	5,692,582	-
Park Acq. & Dev. (Quimby)	802,951	629,623		629,623	150,000	-	150,000	1,282,574
Park Residential Development Tax	1,371,021	66,880		66,880	500,000	-	500,000	937,901
Economic Development	151,659	6,880		6,880	130,000	-	130,000	28,539
County Measure A	7,251,214	7,172,731	210,000	7,382,731	7,799,956	1,401,402	9,201,358	5,432,587
CDBG - Block Grant	159,619	1,565,083		1,565,083	827,628	713,324	1,540,952	183,750
SM Community TV	943,717	244,128	50,000	294,128	119,550	30,750	150,300	1,087,545
Traffic Safety	91,530	370,000		370,000	40,250	300,000	340,250	121,280
Total Special Revenue Funds	**10,771,711**	**11,599,202**	**4,408,705**	**16,007,907**	**14,427,919**	**3,277,523**	**17,705,442**	**9,074,176**
TOTAL OPERATING FUNDS	**153,416,618**	**253,492,312**	**12,972,567**	**266,464,879**	**275,555,535**	**14,763,138**	**290,318,673**	**129,562,824**
LANDSCAPE SERVICES, MITIGATION, & GRANT FUNDS								
Growth Mitigation	31,626,181	4,733,351		4,733,351	4,952,720	-	4,952,720	31,406,812
Landscape Services	27,224	5,122,396	2,126,997	7,249,393	5,051,858	1,889,941	6,941,799	334,818
Parking & Lighting District	409,515	86,800		86,800	30,804	862	31,666	464,649
Grant Funds	1,128,697	-		-	-	-	-	1,128,697
Total Landscape Services, Mitigation, & Grant Funds	**33,191,617**	**9,942,547**	**2,126,997**	**12,069,544**	**10,035,382**	**1,890,803**	**11,926,185**	**33,334,976**
CAPITAL PROJECTS FUNDS								
General Fund Capital Projects	9,365,924		2,244,802	2,244,802	2,849,658	-	2,849,658	8,761,068
Gas Tax & Local Transportation	-	6,066,045		6,066,045	5,415,110	650,935	6,066,045	-
Developer / Grant Street Projects	1,680,493	8,608,000		8,608,000	6,818,000	-	6,818,000	3,470,493
Total Capital Projects Funds	**11,046,417**	**14,674,045**	**2,244,802**	**16,918,847**	**15,082,768**	**650,935**	**15,733,703**	**12,231,561**
INTERNAL SERVICE FUNDS								
Fleet Services	2,359,077	10,989,715		10,989,715	8,395,998	301,651	8,697,649	4,651,143
Equipment	17,586,432	4,400,941		4,400,941	3,852,088	5,036	3,857,124	18,130,249
LEAF Fund	2,275,380			-	-	-	-	2,275,380
Insurance Funds	1,612,849	13,428,500	400,000	13,828,500	16,199,169	132,803	16,331,972	(890,623)
Total Internal Service Funds	**23,833,738**	**28,819,156**	**400,000**	**29,219,156**	**28,447,255**	**439,490**	**28,886,745**	**24,166,149**
GRAND TOTAL	**221,488,390**	**306,928,060**	**17,744,366**	**324,672,426**	**329,120,940**	**17,744,366**	**346,865,306**	**199,295,510**

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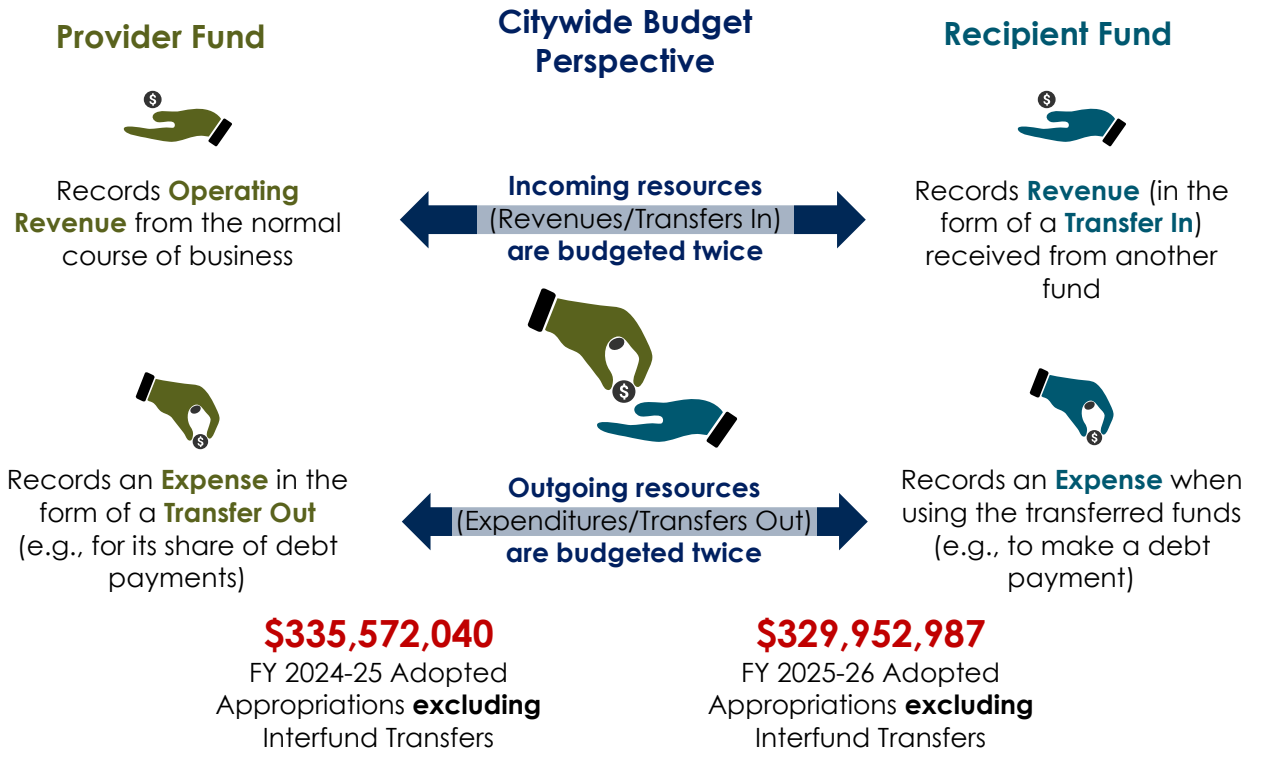
INTERFUND TRANSFERS

Interfund Transfers represent a transfer of resources from one fund to another fund. The transfer appears as a resource in the fund receiving the transfer and as a budget requirement in the fund that is sending the transfer. The nature of interfund transfers causes revenue and expenditures to be double counted in the citywide budget; however, the inclusion of interfund transfers provides transparency to the performance of individual funds and the subsidies from one City fund to another.


Provider Fund
Citywide Budget Perspective
Recipient Fund
Records Operating Revenue from the normal course of business
Incoming resources (Revenues/Transfers In) are budgeted twice
Records Revenue (in the form of a Transfer In) received from another fund
Records an Expense in the form of a Transfer Out (e.g., for its share of debt payments)
Outgoing resources (Expenditures/Transfers Out) are budgeted twice
Records an Expense when using the transferred funds (e.g., to make a debt payment)

$335,572,040
FY 2024-25 Adopted Appropriations **excluding** Interfund Transfers

$329,952,987
FY 2025-26 Adopted Appropriations **excluding** Interfund Transfers

COST ALLOCATION TRANSFER

Payments, by operating departments of the City to the General Fund, for central support services such as administration, payroll, and accounts payable.

INTERFUND TRANSFERS AND LOANS

In adherence to grant requirements, GAAP, and public policy goals, the City has established various special revenue, capital project, debt service, and enterprise funds to account for revenues that are restricted to certain activities. Accordingly, each fund exists as a separate financing entity from other funds, with its revenue sources, expenditures, and fund equity.

Transfers among funds for operating purposes are outlined in the two-year budget document and can only be made by the Director of Finance, following the adopted budget. These operating transfers, under which financial resources are transferred from one fund to another, are distinctly different from inter-fund borrowing, which are customarily made for temporary cash flow reasons, and are not intended to result in a transfer of financial resources by the end of the fiscal year. In summary, inter-fund transfers result in a change in fund equity; inter-fund borrowings do not, as the intent is to repay the loan in the near term.

From time-to-time, interfund borrowings may be appropriate; however, these are subject to the following criteria to ensure that the fiduciary purpose of the fund is met:

- The Director of Finance is authorized to approve temporary inter-fund borrowings for cash flow purposes whenever the cash flow is expected to be resolved within 45 days. The most common use of this type of inter-fund borrowing is for grant programs such as Local Law Enforcement Block Grant Funds, where costs are incurred before drawdowns are initiated and received; and the receipt of funds is typically received shortly after the request for funds was made.
- Other inter-fund borrowings, for cash flow or other purposes, are dealt with by a case-by-case review by the Director of Finance.

INTERFUND TRANSFER SCHEDULES

The following schedules of Interfund Transfers show the relationship of operating transfers between funds.

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TRANSFER ANALYSIS FOR 2023-24

Fund	TRANSFERS IN			TRANSFERS OUT			Net Transfers
	Cost Allocation	Operating Transfers	Total Transfers	Cost Allocation	Operating Transfers	Total Transfers	
GENERAL FUND							
General	$ 4,917,037	$ 4,644,275	$ 9,561,312	$ 47,314	$ 4,235,157	$ 4,282,471	$ 5,278,841
MEASURE U FUND							
Measure U				1,777,777	60,000	1,837,777	(1,837,777)
Total General Funds	**4,917,037**	**4,644,275**	**9,561,312**	**1,825,091**	**4,295,157**	**6,120,248**	**3,441,064**
ENTERPRISE FUNDS							
Water Resources				793,252	1,385,700	2,178,952	(2,178,952)
Solid Waste				898,021	760,906	1,658,927	(1,658,927)
Public Transit				111,216		111,216	(111,216)
Radio				18,694		18,694	(18,694)
Total Enterprise Funds				**1,821,183**	**2,146,606**	**3,967,789**	**(3,967,789)**
SPECIAL REVENUE FUNDS							
Library		955,047	955,047	534,979		534,979	420,068
Park Acquisition & Development							
Park Residential Development Tax							
Economic Development							
County Measure A		210,000	210,000	267,990	1,050,000	1,317,990	(1,107,990)
CDBG - Block Grant					1,621,586	1,621,586	(1,621,586)
SM Community TV		50,000	50,000	32,511		32,511	17,489
Traffic Safety					300,000	300,000	(300,000)
Total Special Revenue Funds		**1,215,047**	**1,215,047**	**835,480**	**2,971,586**	**3,807,066**	**(2,592,019)**
TOTAL OPERATING FUNDS	**4,917,037**	**5,859,322**	**10,776,359**	**4,481,754**	**9,413,349**	**13,895,103**	**(3,118,744)**
LANDSCAPE SERVICES, MITIGATION, & GRANT FUNDS							
Growth Mitigation							
Landscape Services		2,230,983	2,230,983	145,016	1,902,997	2,048,013	182,970
Parking & Lighting District				1,297		1,297	(1,297)
Grant Funds							
Total Landscape Services, Mitigation, & Grant Funds		**2,230,983**	**2,230,983**	**146,313**	**1,902,997**	**2,049,310**	**181,673**
CAPITAL PROJECTS FUNDS							
General Fund Capital Projects		12,733,866	12,733,866				12,733,866
Gas Tax & Local Transportation				9,492	646,000	655,492	(655,492)
Developer / Grant Street Projects							
Total Capital Projects Funds		**12,733,866**	**12,733,866**	**9,492**	**646,000**	**655,492**	**12,078,374**
INTERNAL SERVICE FUNDS							
Fleet Services				199,639		199,639	(199,639)
Equipment				4,659		4,659	(4,659)
LEAF Fund					8,861,825	8,861,825	(8,861,825)
Insurance Funds				75,180		75,180	(75,180)
Total Internal Service Funds				**279,478**	**8,861,825**	**9,141,303**	**(9,141,303)**
GRAND TOTAL	**4,917,037**	**20,824,171**	**25,741,208**	**4,917,037**	**20,824,171**	**25,741,208**	

TRANSFER ANALYSIS FOR 2024-25

Fund	TRANSFERS IN			TRANSFERS OUT			Net Transfers
	Cost Allocation	Operating Transfers	Total Transfers	Cost Allocation	Operating Transfers	Total Transfers	
GENERAL FUND							
General	$ 5,941,762	$ 10,958,368	$ 16,900,130	$	$ 10,128,008	$ 10,128,008	$ 6,772,122
MEASURE U FUND							
Measure U				1,245,153		1,245,153	(1,245,153)
ENTERPRISE FUNDS							
Water Resources				1,165,087	400,000	1,565,087	(1,565,087)
Solid Waste				1,298,424		1,298,424	(1,298,424)
Public Transit				370,804		370,804	(370,804)
Radio				33,094		33,094	(33,094)
Total Enterprise Funds:				**2,867,409**	**400,000**	**3,267,409**	**(3,267,409)**
SPECIAL REVENUE FUNDS							
Library		3,973,660	3,973,660	832,047		832,047	3,141,613
Park Acquisition & Development							
Park Residential Development Tax							
Economic Development							
County Measure A		210,000	210,000	351,402	1,050,000	1,401,402	(1,191,402)
CDBG - Block Grant					713,324	713,324	(713,324)
SM Community TV		50,000	50,000	30,750		30,750	19,250
Traffic Safety					300,000	300,000	(300,000)
Total Special Revenue Funds		**4,233,660**	**4,233,660**	**1,214,199**	**2,063,324**	**3,277,523**	**956,137**
TOTAL OPERATING FUNDS	**5,941,762**	**15,192,028**	**21,133,790**	**5,326,761**	**12,591,332**	**17,918,093**	**3,215,697**
LANDSCAPE SERVICES, MITIGATION, & GRANT FUNDS							
Growth Mitigation							
Landscape Services		2,126,997	2,126,997	169,714	1,720,227	1,889,941	237,056
Parking & Lighting District				862		862	(862)
Grant Funds							
Total Landscape Services, Mitigation, & Grant Funds		**2,126,997**	**2,126,997**	**170,576**	**1,720,227**	**1,890,803**	**236,194**
CAPITAL PROJECTS FUNDS							
General Fund Capital Projects		2,244,802	2,244,802				2,244,802
Gas Tax & Local Transportation				4,935	646,000	650,935	(650,935)
Developer / Grant Street Projects							
Total Capital Projects Funds		**2,244,802**	**2,244,802**	**4,935**	**646,000**	**650,935**	**1,593,867**
INTERNAL SERVICE FUNDS							
Fleet Services				301,651		301,651	(301,651)
Equipment				5,036		5,036	(5,036)
LEAF Fund					8,336,268	8,336,268	(8,336,268)
Insurance Funds		3,730,000	3,730,000	132,803		132,803	3,597,197
Total Internal Service Funds		**3,730,000**	**3,730,000**	**439,490**	**8,336,268**	**8,775,758**	**(5,045,758)**
GRAND TOTAL	**5,941,762**	**23,293,827**	**29,235,589**	**5,941,762**	**23,293,827**	**29,235,589**	

TRANSFER ANALYSIS FOR 2025-26

Fund	TRANSFERS IN			TRANSFERS OUT			Net Transfers
	Cost Allocation	Operating Transfers	Total Transfers	Cost Allocation	Operating Transfers	Total Transfers	
GENERAL FUND							
General	$ 5,941,762	$ 2,622,100	$ 8,563,862	$	$ 6,973,053	$ 6,973,053	$ 1,590,809
MEASURE U FUND							
Measure U				1,245,153		1,245,153	(1,245,153)
ENTERPRISE FUNDS							
Water Resources				1,165,087	400,000	1,565,087	(1,565,087)
Solid Waste				1,298,424		1,298,424	(1,298,424)
Public Transit				370,804		370,804	(370,804)
Radio				33,094		33,094	(33,094)
Total Enterprise Funds:				**2,867,409**	**400,000**	**3,267,409**	**(3,267,409)**
SPECIAL REVENUE FUNDS							
Library		4,148,705	4,148,705	832,047		832,047	3,316,658
Park Acquisition & Development							
Park Residential Development Tax							
Economic Development							
County Measure A		210,000	210,000	351,402	1,050,000	1,401,402	(1,191,402)
CDBG - Block Grant					713,324	713,324	(713,324)
SM Community TV		50,000	50,000	30,750		30,750	19,250
Traffic Safety					300,000	300,000	(300,000)
Total Special Revenue Funds		**4,408,705**	**4,408,705**	**1,214,199**	**2,063,324**	**3,277,523**	**1,131,182**
TOTAL OPERATING FUNDS	**5,941,762**	**7,030,805**	**12,972,567**	**5,326,761**	**9,436,377**	**14,763,138**	**(1,790,571)**
LANDSCAPE SERVICES, MITIGATION, & GRANT FUNDS							
Growth Mitigation							
Landscape Services		2,126,997	2,126,997	169,714	1,720,227	1,889,941	237,056
Parking & Lighting District				862		862	(862)
Grant Funds							
Total Landscape Services, Mitigation, & Grant Funds		**2,126,997**	**2,126,997**	**170,576**	**1,720,227**	**1,890,803**	**236,194**
CAPITAL PROJECTS FUNDS							
General Fund Capital Projects		2,244,802	2,244,802				2,244,802
Gas Tax & Local Transportation				4,935	646,000	650,935	(650,935)
Developer / Grant Street Projects							
Total Capital Projects Funds		**2,244,802**	**2,244,802**	**4,935**	**646,000**	**650,935**	**1,593,867**
INTERNAL SERVICE FUNDS							
Fleet Services				301,651		301,651	(301,651)
Equipment				5,036		5,036	(5,036)
LEAF Fund							
Insurance Funds		400,000	400,000	132,803		132,803	267,197
Total Internal Service Funds		**400,000**	**400,000**	**439,490**		**439,490**	**(39,490)**
GRAND TOTAL	**5,941,762**	**11,802,604**	**17,744,366**	**5,941,762**	**11,802,604**	**17,744,366**	

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FUND OVERVIEW

City of Santa Maria

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BUDGETARY FUND BALANCE

In a governmental agency, fund balance is considered in two separate, but intrinsically related, settings – budgetary fund balance and Annual Comprehensive Financial Report (ACFR) fund balance. Budgetary fund balance is a prospective calculation of ending fund balance based on estimated revenues and expenditures, whereas ACFR fund balance is a retrospective calculation based on the difference between fiscal year end assets and liabilities, and deferred inflows or outflows of resources. Following the financial audit of the active fiscal year, budgetary ending fund balance is reconciled to ACFR fund balance, accounting for actual fiscal year performance and any differences in the budgetary versus accounting basis of reporting.

ACFR fund balance may be classified in one of five classifications defined in *GASB Statement 54: Fund Balance Reporting and Governmental Fund Type Definitions* as described below:

- Non-spendable Fund Balance: Cannot be spent due to form or must be maintained intact legally or contractually.
- Restricted Fund Balance: Subject to externally enforceable limitations by law, enabling legislation, or limitations imposed by creditors or grantors.
- Committed Fund Balance: May only be used for specific purposes due to formal action of the City Council through adoption of a resolution prior to the end of the fiscal year.
- Assigned Fund Balance: Reflects the City's intended use of resources.
- Unassigned Fund Balance: The residual classification that includes all spendable amounts not contained in the other classifications.

For the purposes of budgetary fund balance, the last three classifications listed above (Committed, Assigned, and Unassigned) are generally considered "available" fund balance, as these balances are not legally restricted by external parties or forces.

MAJOR FUNDS

On a budgetary basis, a major fund is defined as a fund whose total revenues or expenditures, excluding other financing sources and uses, exceed ten percent of citywide revenues or expenditures. Under this basis, the City has three major funds:

- General Fund (including Measure U), which accounts for approximately 37 percent of citywide revenues and 38 percent of citywide expenditures in FY 2024-25 and 36 percent of citywide revenues and 40 percent of citywide expenditures in FY 2025-26.
- Water Resources Funds account for approximately 21 percent of citywide revenues and 19 percent of citywide expenditures in FY 2024-25 and 21 percent of citywide revenues and 23 percent of citywide expenditures in FY 2024-25.
- Solid Waste Funds account for approximately 13 percent of citywide revenues and 16 percent of citywide expenditures in FY 2024-25 and 13 percent of citywide revenues and 11 percent of citywide expenditures in FY 2025-26.

The three major funds are described in the upcoming *Fund Structure* section.

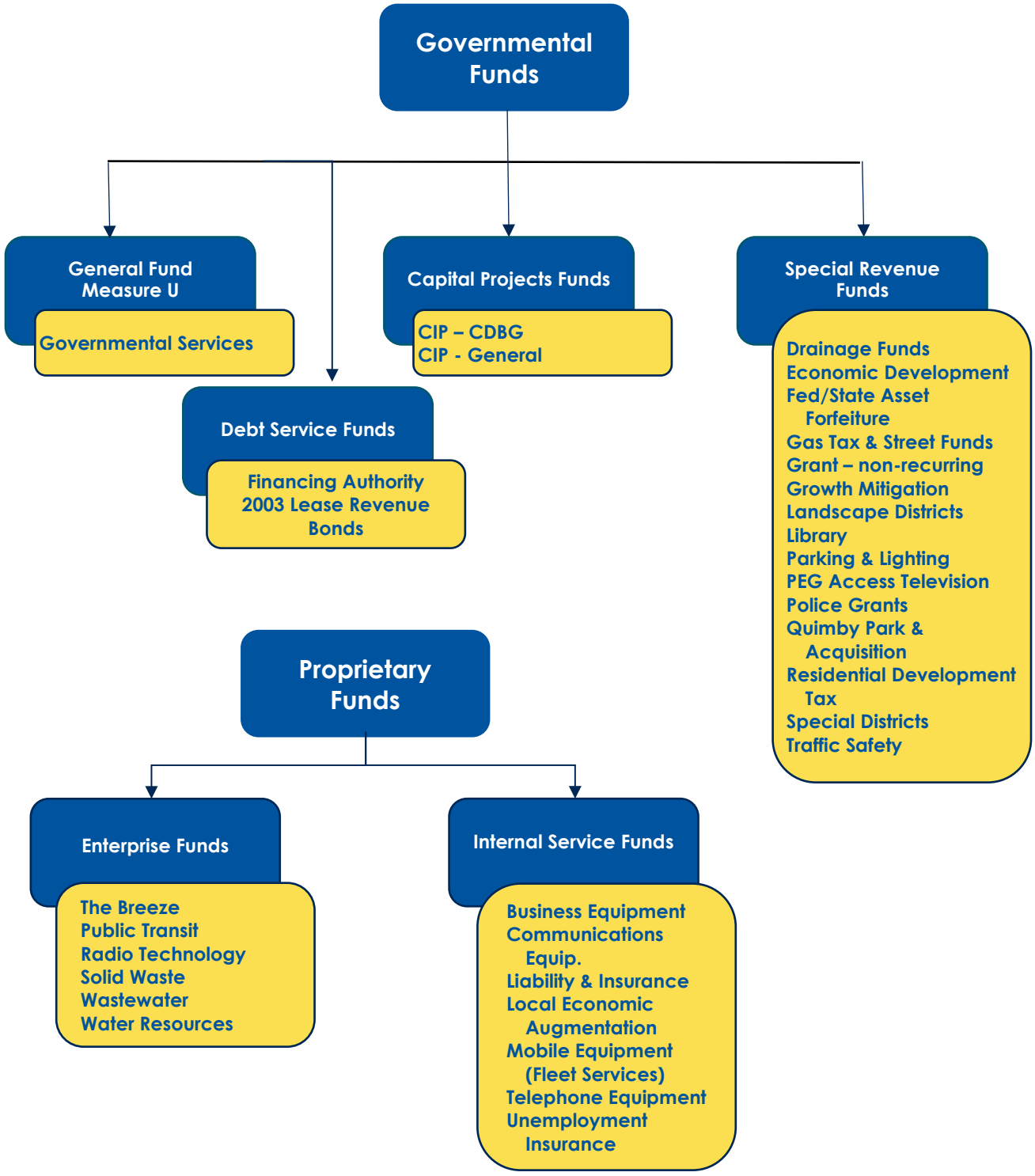
FUNDS NOT BUDGETED

The City uses fiduciary agency funds to account for assets held by the City as trustee or agent for the benefit of individuals, other governments and/or other funds outside of the City. Fiduciary Agency funds are custodial, are not used to support City programs, and do not require measurement of results of operations. As such, fiduciary agency funds are not budgeted.

FUND STRUCTURE

The City of Santa Maria's (City) budget is made up of numerous funds. A fund is a separate accounting entity with a self-balancing set of accounts created to track specific revenue and expense activity.

All of the City's funds are classified into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Agency Funds. Each category, in turn, is divided into separate "fund types". Below is a graphical depiction of the budget fund structure:



GOVERNMENTAL FUNDS

Governmental funds are generally used to account for tax-supported activities. Because the focus for governmental funds is on current spendable resources, the balance sheets include only current assets and current liabilities. Governmental funds are accounted for on a modified accrual basis; thus, revenues are recognized when measurable and available, and expenditures are recorded when the related liability is incurred. Available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Examples of such revenues include property tax, sales tax, and interest earnings. Expenditures are recognized when the fund liability is incurred. There are four different types of governmental funds used by the City.

GENERAL FUND

The General Fund is the City's primary fund and accounts for all revenues and expenditures applicable to the general operations of the city government, which are not properly accounted for in another fund. These are activities and services traditionally associated with governments, such as police and fire, recreation and parks, and a city administration that is financed primarily through tax-generated revenues.

MEASURE U FUND

The Measure U Fund accounts for local transactions and use tax within the City of Santa Maria. City voters initially approved Measure U in the June 2012 election, enacting a one-quarter-cent general transactions and use tax. More recently, City voters in the November 2018 election extended and enhanced Measure U at the one-cent rate, to support essential City services. This general-purpose tax is used primarily to fund services such as police and fire, recreation and parks, library, and code enforcement. The Measure U Fund is combined with the General Fund for financial reporting purposes.

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt service revenues are derived from property taxes and other operating revenues.

SPECIAL REVENUE FUNDS

Special revenue funds are operating funds for which the use of revenues is restricted or designated by outside sources. These funds are used to account for the revenue derived from specific taxes or other earmarked revenue sources such as intergovernmental grants and contracts (other than for major capital projects) that are restricted by law or administrative action to expenditures for specific purposes.

CAPITAL PROJECT FUNDS

Capital project funds are used to account for construction or acquisition of general fixed assets and major improvements other than those financed by special assessments. Capital project funds of the City include general fund capital projects, gas tax, local transportation, growth mitigation, and developer/grant street projects.

PROPRIETARY FUNDS

Proprietary funds are financed and operated in a manner like private business enterprises where the intent is to recover the costs of providing goods and services from user charges. Proprietary funds focus on the determination of operating income, changes in net assets (or cost recovery), financial positions, and cash flows. Proprietary fund revenues and expenses are budgeted and accounted for on an accrual basis. Revenues are recognized in the period when earned and expenses are recognized when incurred. There are two different types of proprietary funds used by the City – enterprise funds and internal service funds.

ENTERPRISE FUNDS

Enterprise funds are used to account for the operations and financing of self-supporting activities of the City that render services on a user charge basis to the public, similar to private business enterprises. Enterprise funds of the City include water resources (covering water and wastewater services), refuse collections and disposal, and public transit operations.

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of centralized services to different funds and City departments on a cost-reimbursement basis (including replacement costs). Internal service funds of the City include fleet maintenance and replacement, business equipment, liability and workers' compensation insurance costs, and radio technology.

FIDUCIARY AGENCY FUNDS

The City uses fiduciary agency funds to account for assets held by the City as trustee or agent for the benefit of individuals, other governments, and/or other funds outside of the City. Fiduciary Agency funds are custodial, are not used to support City programs, and do not require measurement of results or operations. As such, fiduciary agency funds are not budgeted.

ENTERPRISE FUNDS

Enterprise Funds are used to account for activities that are financed and operated in a manner like private businesses. The City's intent is that the operational and capital costs of providing these services be recovered primarily through user fees and charges.

The Santa Maria Utilities Department's budget includes six Enterprise Funds:

- The Solid Waste Collection Fund accounts for all resources used for residential, commercial, agricultural, industrial solid waste collections, and recycling operations, including, but not limited to, administration, maintenance, and capital acquisition.
- The Solid Waste Disposal Fund accounts for all resources used to provide solid waste disposal for residential, commercial, agricultural, and industrial users. This fund also supports the household hazardous waste collection operation at the City's landfill.
- The Landfill Closure/Post-Closure Fund accounts for the money necessary to close the City's 247-acre landfill. The City is required by State and Federal laws and regulations to assure that the City will complete the closure and post-closure requirements of its landfill site. The City is required to report a portion of closure and post-closure costs as an operating expense. The operation of the landfill requires that the rolling closure of the landfill (closure in phases) continue on an annual basis.
- The Landfill Closure/Corrective Action Fund is used for the closure/post-closure corrective action for the Santa Maria Integrated Waste Management Facility (SMIWMF) at Los Flores Ranch, and fund operational and reporting requirements per CalRecycle.
- The Water Fund accounts for all resources used to provide water services to the City, including, but not limited to, administration, operations, maintenance, capital acquisition and construction, debt service on the State Water Project, utility billing operations, water distribution costs, and other water-related operations.
- The Wastewater Fund accounts for all resources used to provide sewer service to residents and businesses within the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, capital acquisition and construction, and the billing and collection of fees associated with sewer-related services.

The City Manager's Office's budget includes one Enterprise Fund:

- The Radio/Technology Fund accounts, and houses in one location, the cost and anticipated revenues associated with the City's 700 MHz trunked radio communication system, and other

technology-related equipment that can be utilized by partnering with other municipalities and school districts.

The Public Works Department's budget includes two Enterprise Funds:

- The Public Transit Fund accounts for all resources, including State and Federal funds, used to provide a regional public transportation service known as Santa Maria Regional Transit. All activities necessary to provide such transit-related services are accounted for in this fund, including, but not limited to, administration, operations, fixed-route and paratransit, facilities, maintenance, and capital acquisition and construction.
- The Breeze Fund accounts for all resources, including State and Federal funds, used to provide Breeze public transit service between Santa Maria and Lompoc, and Santa Maria, Buellton, and Solvang. All activities necessary to provide Breeze services are accounted for in this fund, including, but not limited to, administration, operations, fixed-route, facilities, maintenance, and capital acquisition and construction.

DEPARTMENT/FUND RELATIONSHIP

The following schedule displays departmental budgets within various funds.

The following tables illustrate the relationship between the City's departments and operating funds.

FY 2024-25 EXPENDITURES AND TRANSFERS OUT BY DEPARTMENT AND FUND

City Department	General Fund	Measure U Fund	Enterprise Funds	Special Revenue Funds	Total
Mayor & Council	$ 210,716	$ -	$ -	$ -	$ 210,716
City Attorney	1,816,866	-	-	-	1,816,866
City Manager	11,626,021	1,435,220	839,188	167,875	14,068,304
Finance	15,203,664	2,757	1,063,166	130,000	16,399,587
Community Development	6,087,166	824,287	-	1,540,952	8,452,405
Library	-	1,014,709	-	5,517,537	6,532,246
Recreation & Parks	12,992,292	3,071,312	-	650,000	16,713,604
Fire	13,762,535	11,945,878	-	-	25,708,413
Police	41,626,826	12,835,790	-	-	54,462,616
Public Works	5,392,822	-	15,638,045	8,891,700	29,922,567
Utilities	-	-	117,126,979	-	117,126,979
TOTAL CITY APPROPRIATIONS	**$ 108,718,908**	**$ 31,129,953**	**$ 134,667,378**	**$ 16,898,064**	**$ 291,414,303**

FY 2025-26 EXPENDITURES AND TRANSFERS OUT BY DEPARTMENT AND FUND

City Department	General Fund	Measure U Fund	Enterprise Funds	Special Revenue Funds	Total
Mayor & Council	$ 227,015	$ -	$ -	$ -	$ 227,015
City Attorney	1,878,493	-	-	-	1,878,493
City Manager	11,917,704	247,700	872,663	150,300	13,188,367
Finance	12,229,624	2,757	1,125,108	130,000	13,487,489
Community Development	6,350,535	884,148	-	1,540,952	8,775,635
Library	-	1,025,970	-	5,692,582	6,718,552
Recreation & Parks	13,232,582	3,152,287	-	650,000	17,034,869
Fire	14,195,037	12,561,827	-	-	26,756,864
Police	43,405,481	13,568,555	-	-	56,974,036
Public Works	5,665,389	-	16,224,857	9,541,608	31,431,854
Utilities	-	-	113,845,499	-	113,845,499
TOTAL CITY APPROPRIATIONS	**$ 109,101,860**	**$ 31,443,244**	**$ 132,068,127**	**$ 17,705,442**	**$ 290,318,673**

The following tables illustrate the relationship between the City's departments and funds with most managing programs in the General Fund.

FY 2024-25 EXPENDITURES AND TRANSFERS OUT BY DEPARTMENT AND FUND

City Department	General Fund	Measure U Fund	Enterprise Funds	Special Revenue Funds	Landscape, Maint. Svcs. & Mitigation	Other Enterprise Funds	Internal Service Funds	Total
Mayor & Council	$ 210,716	$ -	$ -	$ -	$ -	$ -	$ -	$ 210,716
City Attorney	1,816,866	-	-	-	-	-	19,051,984	$20,868,850
City Manager	11,626,021	1,435,220	839,188	167,875	-	250,000	3,748,124	18,066,428
Finance	15,203,664	2,757	1,063,166	130,000	-	-	8,336,268	24,735,855
Community Development	6,087,166	824,287	-	1,540,952	-	-	-	8,452,405
Library	-	1,014,709	-	5,517,537	-	-	-	6,532,246
Recreation & Parks	12,992,292	3,071,312	-	650,000	15,250,827	100,000	-	32,064,431
Fire	13,762,535	11,945,878	-	-	-	-	-	25,708,413
Police	41,626,826	12,835,790	-	-	-	-	-	54,462,616
Public Works	5,392,822	-	15,638,045	8,891,700	-	11,286,527	14,537,549	55,746,643
Utilities	-	-	117,126,979	-	-	-	-	117,126,979
TOTAL CITY APPROPRIATIONS	**$ 108,718,908**	**$ 31,129,953**	**$ 134,667,378**	**$ 16,898,064**	**$ 15,250,827**	**$ 11,636,527**	**$ 45,673,925**	**$ 363,975,582**

FY 2025-26 EXPENDITURES AND TRANSFERS OUT BY DEPARTMENT AND FUND

City Department	General Fund	Measure U Fund	Enterprise Funds	Special Revenue Funds	Landscape, Maint. Svcs. & Mitigation	Other Enterprise Funds	Internal Service Funds	Total
Mayor & Council	$227,015	$-	$-	$-	$-	$-	$-	$227,015
City Attorney	1,878,493	-	-	-	-	-	16,331,972	$18,210,465
City Manager	11,917,704	247,700	872,663	150,300	-	-	3,857,124	17,045,491
Finance	12,229,624	2,757	1,125,108	130,000	-	-	-	13,487,489
Community Development	6,350,535	884,148	-	1,540,952	-	-	-	8,775,635
Library	-	1,025,970	-	5,692,582	-	-	-	6,718,552
Recreation & Parks	13,232,582	3,152,287	-	650,000	11,926,185	600,000	-	29,561,054
Fire	14,195,037	12,561,827	-	-	-	-	-	26,756,864
Police	43,405,481	13,568,555	-	-	-	-	-	56,974,036
Public Works	5,665,389	-	16,224,857	9,541,608	-	15,133,703	8,697,649	55,263,206
Utilities	-	-	113,845,499	-	-	-	-	113,845,499
TOTAL CITY APPROPRIATIONS	**$ 109,101,860**	**$ 31,443,244**	**$ 132,068,127**	**$ 17,705,442**	**$ 11,926,185**	**$ 15,733,703**	**$ 28,886,745**	**$ 346,865,306**

LONG-TERM DEBT OBLIGATIONS

City of Santa Maria

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DEBT TYPES AND PURPOSE

This section summarizes the debt service obligations of the City as of the beginning of the 2022-24 budget period (July 1, 2022). These obligations represent the City's annual installment payments of principal and interest for previous capital improvement plan projects or acquisitions funded through debt financing. The following is a description of each lease or bond obligation existing on July 1, 2022.

2021A WATER AND WASTEWATER REVENUE REFUNDING BONDS

- Purpose: To refund 2012A Revenue Refunding Bonds
- Maturity Date: February 1, 2036
- Original Principal Amount: $ 35,685,000
- July 1, 2022, Principal Outstanding: $ 35,365,000
- Interest Rate: 3.9% Average
- Funding Source: Water and Wastewater Funds

On November 17, 2021, the City issued $35,685,000 of bonds to refund for savings the remaining outstanding principal amount of the City's Water and Wastewater 2012A Revenue Refunding Bonds. In 2012, the City issued $50,119,493 of bonds to refinance and restructure a portion of obligations issued in 1993 and 1997 which financed the construction of a transmission line to take delivery of State Water, the purchase of an additional 4,900 acre-feet of entitlement, and to acquire and construct certain water and wastewater facilities. The City decided to refund the 2012 bonds based on a tax-exempt current refunding with regular delivery. The refunding resulted in net present value savings of $11.54 million, or 26.3 percent of the value of the refunded bonds. The outstanding 2021A bonds have a final maturity of February 1, 2036, a weighted average remaining interest rate of approximately 3.9 percent, and are callable at the option of the City starting on February 1, 2031.

2013 EQUIPMENT LEASE FINANCING – MOBILE EQUIPMENT INTERNAL SERVICE FUND

- Purpose: To issue tax-exempt lease financing to be used for the acquisition of vehicles and equipment for the Mobile Equipment Fund.
- Maturity Date: March 2025
- Original Principal Amount: $ 4,905,000
- July 1, 2022, Principal Outstanding: $ 303,211
- Interest Rate: 2.14% to 2.68%
- Funding Source: Mobile Equipment Fund

On March 22, 2013, the City entered into three lease agreements for the acquisition of vehicles and equipment for the Mobile Equipment Fund. The three leases have terms of 7, 10, and 12 years with interest rates ranging from 2.14 to 2.68 percent. Payments are due semi-annually under the terms of the lease agreements.

2017 EQUIPMENT LEASE FINANCING – GENERAL FUND

- Purpose: To issue tax-exempt lease financing to be used for the acquisition of a Computer-Aided Dispatch and Records Management System (CAD RMS) for public safety departments.
- Maturity Date: January 2027
- Original Principal Amount: $ 2,280,000
- July 1, 2022, Principal Outstanding: $ 1,227,500
- Interest Rate: 3.10%
- Funding Source: General Fund

On January 11, 2017, the City entered into a lease agreement for the acquisition of a computer-aided dispatch and records management system (CAD RMS) for public safety. The lease has a term of term of 10 years with an interest rate of 3.10 percent. Payments are due semi-annually under the terms of the lease agreement.

ANNUAL PAYMENTS BY SOURCE				
	2021A	2013	2017	
	Water & Wastewater Refunding Revenue Bonds	Mobile Equipment – Fleet Services Capital Lease	General Fund Capital Equipment Lease	
Fiscal Year	Water Resources	Fleet Fund	General Fund	Total
2023	$ 1,498,350	$ 148,833	$ 266,912	$ 1,914,095
2024	3,223,026	11,971,364	266,912	3,973,712
2025	3,622,100	83,450	266,912	3,972,462
2026	3,625,600		266,912	3,892,512
2027	3,623,350		266,912	3,890,262
2028	3,625,350			3,625,350
2029	3,626,100			3,626,100
2030	3,625,350			3,625,350
2031	3,622,850			3,625,350
2032	3,623,350			3,622,850
2033	3,622,750			3,623,350
2034	3,624,800			3,622,750
2035	3,623,850			3,624,800
2036	1,884,900			3,623,850
Total	**$ 46,872,050**	**$ 315,733**	**$ 1,334,560**	**$ 50,262,793**

CAPITAL PROJECTS

City of Santa Maria

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OVERVIEW

This Section is designed to provide appropriation authority for those capital projects identified in the 2024-26 Budget as well as provide an indication as to the planned projects for 2024-25. Capital projects range from road maintenance or construction to the renovation of municipal buildings, recreation centers and ball fields, to water main and sewerage system replacement. This Section aligns capital project requirements to the financial sources that will support their realization and the timeframe in which both the financing and work will take place. Capital improvement projects typically have a life span of several years and therefore carry considerable future impact. The first two years of the Capital Improvement Plan (CIP) are approved by the City Council with the adoption of the Fiscal Year 2024-26 Budget, while the following years are subject to future Council approval. However, individual capital projects and their estimated budgets may also be approved by separate City Council action throughout the fiscal year, allowing the planned appropriations to be carried forward each year until project completion.

Recommended funding for new capital projects is based on departmental priorities. Additionally, all projects submitted by departments were subject to review against the following criteria: 1) additional funds needed to make committed projects operational; 2) required to meet a legal or policy mandate; 3) required to improve unacceptable health and/or safety concerns; 4) required to maintain existing facilities or assets; 5) required to maintain existing service levels; 6) reduces other City costs; 7) will enhance and maximize operational efficiencies; and, 8) other justifications to merit consideration.

CAPITAL FINANCIAL & BUDGET POLICIES

OTHER DESIGNATIONS AND RESERVES

In addition to the designations noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years, which are carried forward into the new year; debt service reserve requirements; reserves for encumbrances; and other reserves or designation required by contractual obligations, State law, or GAAP requirements.

CAPITAL MAINTENANCE EQUIPMENT PROJECT (CMEP) PURPOSE

The purpose of the Capital, Maintenance, and Equipment Project (CMEP) is to systematically plan, schedule, budget, and finance capital projects to ensure cost effectiveness and efficiency of construction.

General Fund CMEPs will be budgeted in the Capital Projects – General Fund, while Enterprise and Internal Service Fund CMEPs will be budgeted in the individual funds. Account numbers ending in -52 (Structures and Improvements) and -53 (Equipment) will be used to budget and account for expenditures in each fund.

The CMEP is a four-year plan organized into the same functional groupings used for the operating programs. Because the four-year plan is a planning tool rather than a budgeting tool, only two years of CMEPs are reported in the two-year Capital Project section of the budget. The CMEP, reported in the two-year budget, reports the responsible fund, the year funding will be appropriated, funding sources, and totals by category (Public Safety, Public Utilities, Public Ways and Facilities, etc.).

CMEP - $5,000 OR MORE

Construction projects and equipment purchases, that cost $5,000 or more, will be included in the Capital Projects section of the budget, while minor capital outlays of less than $5,000 will be included within the operating program budgets.

CMEP REVIEW

The City Manager's Office, in combination with the Public Works and Finance Departments, will review the project proposals and determine a listing of projects for the two-year budget document. CMEP projects that were approved in the prior budget but that did not start by the end of the calendar year are ineligible for carryover to the new budget.

CMEP BUDGET OVERVIEW

In all, the adopted CMEP Budget for 2024-26 consists of 64 capital projects representing approximately $115.9 million in appropriations. The 2024-26 Budget reflects $62.2 million in projects in the first year and $53.6 million in the second year. For comparison purposes, the 2022-24 Budget consisted of 151 capital projects totaling $140.7 million in appropriations.

The adopted Mobile Equipment Replacement and Expansion budget for 2024-26 calls for 46 pieces of equipment to be replaced reflecting $18.5 million in appropriations.

Funding for planned capital improvement projects is largely provided by bond proceeds, transportation funds, grants, user fees or rates, and Measure U; however, a strategic use of cash reserves will provide funding for some projects.

Capital projects are categorized into the six broad categories of Public Safety, Public Utilities, Public Ways & Facilities, Public Transit Leisure & Cultural Services, and General Government to denote the general area of impact. Five departments have planned capital projects in the FY 2024-26 Budget.

On the following pages is a matrix summarizing the adopted capital program for 2024-28, including funding requirements, as well as the Mobile Equipment and Replacement inventory.

FUNDING SOURCES AND USES

	Adopted FY 2024-25	Adopted FY 2025-26
Funding Sources		
Capital Projects – General Fund	$ 3,507,850	$ 2,849,658
Measure U Fund	1,285,000	20,000
Gas Tax & Transportation Development Act Fund	5,366,458	5,066,458
Growth Mitigation Fund	8,167,000	4,952,720
Residential Development Tax Fund	500,000	500,000
Measure A Fund	2,496,908	2,501,474
Public Transit Fund	5,120,000	6,080,000
Water Fund	5,306,060	8,363,160
Wastewater Fund	4,242,140	14,028,480
Developer / Grant Street Projects Fund	1,977,000	6,818,000
Fleet Services Fund	5,902,133	1,105,247
Solid Waste Disposal Fund	16,739,680	-
Solid Waste Collection Fund	1,251,400	1,198,820
Quimby-Park Acquisition & Development Fund	150,000	150,000
Northwest Landscape District Fund	200,000	-
Total Funding Sources	**$ 62,211,629**	**$ 53,634,017**
Funding Uses		
Public Safety	$ 3,046,000	$ 265,000
Public Utilities	36,760,413	27,308,427
Public Ways & Facilities	14,705,216	18,635,590
Public Transit	5,120,000	6,080,000
Leisure & Cultural Services	1,130,000	1,345,000
General Government	1,450,000	-
Total Funding Uses	**$ 62,211,629**	**$ 53,634,017**

RECURRING/NONRECURRING CAPITAL PROJECTS

The City's CMEP includes capital projects that are recurring or nonrecurring in nature. Recurring projects are those that are commonly included in each CMEP and do not have a significant impact on the operating budget. Projects of this type are typically infrastructure improvements or maintenance funded from reliable sources, such as gas tax funds or user fees. Nonrecurring projects are unique, one-time projects, such as the construction of new buildings or plants, which will often result in an ongoing operating financial impact, or replacement of aging infrastructure, which should reduce overall operating costs.

Nonrecurring projects are indicated in the *Capital Projects List*.

CAPITAL PROJECTS LIST

The following schedule lists all capital projects anticipated to be funded in 2024-28 and are categorized into the six broad categories of Public Safety, Public Utilities, Public Ways & Facilities, Public Transit, Leisure & Cultural Services, and General Government to denote the general area of impact.

Table Legend: **= Nonrecurring Project**

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CAPITAL PROJECTS LIST BY CATEGORY		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
PUBLIC SAFETY CAPITAL PROJECTS						
CONSTRUCTION/RELOCATION OF FIRE STATION 2	✓					
Measure U Fund		-	-	12,000,000	-	12,000,000
Total		-	-	12,000,000	-	12,000,000
FLEET REPLACEMENT: POLICE No. of Vehicles/Year: 2024-25: 5; 2025-26: 3; 2026-27: 14						
Fleet Services Fund	✓	446,000	180,000	930,000	-	1,556,000
Total		446,000	180,000	930,000	-	1,556,000
FLEET REPLACEMENT: FIRE No. of Vehicles/Year: 2024-25: 2; 2025-26: 1						
Fleet Services Fund		2,600,000	85,000	-	-	2,685,000
Total		2,600,000	85,000	-	-	2,685,000
Public Safety Total Appropriation		**$ 3,046,000**	**$ 265,000**	**$ 12,930,000**	**$ -**	**$ 16,241,000**
Funding Sources						
Measure U Fund		$ -	$ -	$ 12,000,000	$ -	$ 12,000,000
Fleet Services Fund		3,046,000	265,000	930,000	-	4,241,000
Public Safety Total Funding		**$ 3,046,000**	**$ 265,000**	**$ 12,930,000**	**$ -**	**$ 16,241,000**
PUBLIC UTILITIES CAPITAL PROJECTS						
WATER						
MODULAR BUILDING SITE IMPROVEMENTS AT WASTEWATER TREATMENT PLANT (WWTP); 601 BLACK RD	✓	f				
Water Fund		87,500	-	-	-	87,500
Wastewater Fund		87,500	-	-	-	87,500
Total		**175,000**	**-**	**-**	**-**	**175,000**
WELL REHABILITATION, PLACEMENT OF PACKERS, AND IMPLEMENT STANDARDIZED DESIGN FOR EIGHT (8) WELL CONTROLS	✓					
Water Fund		1,002,000	127,000	131,000	-	1,260,000
Total		**1,002,000**	**127,000**	**131,000**	**-**	**1,260,000**

CAPITAL PROJECTS LIST BY CATEGORY		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
REHABILITATION OF RESERVOIR STORAGE AND ROOF REPACEMENT AT RESERVOIR 4; 1520 PRELL RD	✓					
Water Fund		525,000	2,975,000	-	-	3,500,000
Total		**525,000**	**2,975,000**	**-**	**-**	**3,500,000**
EVALUATION TO MODIFY SOUTH AIRPORT WATER MAINS (UCS B3)	✓					
Water Fund		120,000	675,000	-	-	795,000
Total		**120,000**	**675,000**	**-**	**-**	**795,000**
NEW WATER SUPPLY WELL #16	✓					
Water Fund		-	2,733,000	-	-	2,733,000
Growth Mitigation Fund		4,267,000	-	-	-	4,267,000
Total		**4,267,000**	**2,733,000**	**-**	**-**	**7,000,000**
WATER MASTER PLAN	✓					
Water Fund		885,000	-	-	-	885,000
Total		**885,000**	**-**	**-**	**-**	**885,000**
DOWNSIZING OF WATERLINE ON POPLAR STREET	✓					
Water Fund		105,000	595,000	-	-	700,000
Total		**105,000**	**595,000**	**-**	**-**	**700,000**
HYDRANT INVENTORY, PARTS, REPLACEMENT, MAINTENANCE						
Water Fund		333,630	346,970	360,850	375,280	1,416,730
Total		**333,630**	**346,970**	**360,850**	**375,280**	**1,416,730**
METER INVENTORY, PARTS, REPLACEMENT AND MAINTENANCE SUPPLIES						
Water Fund		849,220	883,190	918,520	955,260	3,606,190
Total		**849,220**	**883,190**	**918,520**	**955,260**	**3,606,190**

CAPITAL PROJECTS LIST BY CATEGORY		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
BUILD OF TWO (2) DARK FIBER STRANDS TO CONNECT EIGHT (8) WATER WELL SITES; VARIOUS LOCATIONS	✓					
Water Fund		730,000	-	-	-	730,000
Total		**730,000**	**-**	**-**	**-**	**730,000**
FLEET REPLACEMENTS No. of Vehicles/Year: 2026-27: 2; 2027-28: 1						
Water Fund		108,710	28,000	-	-	136,710
Fleet Services Fund		106,290	42,247	670,000	135,000	953,537
Total		**215,000**	**70,247**	**670,000**	**135,000**	**1,090,247**
FLEET REFURBISHMENT No. of Vehicles/Year: 2024-25: 4						
Fleet Services Fund		100,000	-	-	-	100,000
Total		**100,000**	**-**	**-**	**-**	**100,000**
FLEET EXPANSION No. of Vehicles/Year: 2024-25: 3						
Water Fund		560,000	-	-	-	560,000
Total		**560,000**	**-**	**-**	**-**	**560,000**
WASTEWATER						
SEWER TRUNK AND LINE UPGRADES FOR DEJOY PHASE II (A-1), WEST MAIN STREET (C-1), AND WEST MAIN STREET (D-2) AS IDENTIFIED IN THE CITY'S 2012 UTILITIES CAPACITY STUDY	✓					
Wastewater Fund		-	10,647,280	-	-	10,647,280
Growth Mitigation Fund		2,400,000	2,952,720	-	-	5,352,720
Total		**2,400,000**	**13,600,000**	**-**	**-**	**16,000,000**
WASTE DISCHARGE REQUIREMENTS (WDR-AMD 1) AND PLANT UPGRADE; 601 BLACK RD	✓					
Wastewater Fund		2,426,340	2,523,400	13,121,650	13,646,520	31,717,910
Total		**2,426,340**	**2,523,400**	**13,121,650**	**13,646,520**	**31,717,910**

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
THE PURCHASE AND INSTALLATION OF TRASH CAPTURE DEVICES THROUGHOUT THE CITY'S DRAINAGE SYSTEM; VARIOUS LOCATIONS						
Wastewater Fund		303,300	315,430	328,050	341,170	1,287,950
Total		**303,300**	**315,430**	**328,050**	**341,170**	**1,287,950**
SEWER MANHOLE PROGRAM (20 PER YEAR)						
Wastewater Fund		250,000	260,000	270,400	281,220	1,061,620
Total		**250,000**	**260,000**	**270,400**	**281,220**	**1,061,620**
WASTEWATER TREATMENT PLANT (WWTP) PERIMETER FENCE; 601 BLACK RD	✓					
Wastewater Fund		675,000	-	-	-	675,000
Total		**675,000**	**-**	**-**	**-**	**675,000**
ROOF REPAIRS: WASTEWATER TREATMENT PLANT						
Wastewater Fund		225,000	265,370	-	-	490,370
Total		**225,000**	**265,370**	**-**	**-**	**490,370**
FLEET REPLACEMENTS No. of Vehicles/Year: 2026-27: 5						
Wastewater Fund		-	17,000	-	-	17,000
Fleet Services Fund		-	723,000	-	-	723,000
Total		**-**	**740,000**	**-**	**-**	**740,000**
FLEET EXPANSION No. of Vehicles/Year: 2024-25: 3						
Wastewater Fund		275,000	-	-	-	275,000
Total		**275,000**	**-**	**-**	**-**	**275,000**
SOLID WASTE						
ORGANICS RECYCLING CARTS FOR COMMERCIAL AND MULTI-FAMILY DWELLINGS						
Solid Waste Collection Fund		50,000	51,500	53,050	54,650	209,200
Total		**50,000**	**51,500**	**53,050**	**54,650**	**209,200**

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
PURCHASE OF RESIDENTIAL REFUSE CARTS						
Solid Waste Collection Fund		450,000	463,500	477,410	491,740	1,882,650
Total		**450,000**	**463,500**	**477,410**	**491,740**	**1,882,650**
PURCHASE OF COMMERCIAL REFUSE DUMPSTERS						
Solid Waste Collection Fund		213,900	220,320	226,930	233,740	894,890
Total		**213,900**	**220,320**	**226,930**	**233,740**	**894,890**
PURCHASE OF RESIDENTIAL RECYCLING CARTS						
Solid Waste Collection Fund		150,000	154,500	159,140	163,920	627,560
Total		**150,000**	**154,500**	**159,140**	**163,920**	**627,560**
PURCHASE OF COMMERCIAL RECYCLING DUMPSTERS						
Solid Waste Collection Fund		100,000	103,000	106,090	109,280	418,370
Total		**100,000**	**103,000**	**106,090**	**109,280**	**418,370**
PURCHASE OF RESIDENTIAL ORGANIC CONTAINERS						
Solid Waste Collection Fund		200,000	206,000	212,180	218,550	836,730
Total		**200,000**	**206,000**	**212,180**	**218,550**	**836,730**
ASPHALT REPAIRS, SLURRY SEAL, STRIPING AT SANTA MARIA REGIONAL LANDFILL (SMRL); 2065 E MAIN ST	✓					
Solid Waste Collection Fund		42,500	-	-	-	42,500
Solid Waste Disposal Fund		42,500	-	-	-	42,500
Total		**85,000**	**-**	**-**	**-**	**85,000**
FLEET EXPANSION No. of Vehicles/Year: 2024-25: 1						
Solid Waste Collection Fund		45,000	-	-	-	45,000
Total		**45,000**	**-**	**-**	**-**	**45,000**
LANDFILL						

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
CELL 1 PHASE II LINER EXTENSION AT THE SANTA MARIA LANDFILL (SMRL); 2065 E MAIN ST	✓					
Solid Waste Disposal Fund		14,500,000	-	-	-	14,500,000
Total		**14,500,000**	**-**	**-**	**-**	**14,500,000**
GROUNDWATER MONITORING WELL AT SANTA MARIA REGIONAL LANDFILL (SMRL); 2065 E MAIN ST	✓					
Solid Waste Disposal Fund		200,000	-	-	-	200,000
Total		**200,000**	**-**	**-**	**-**	**200,000**
INSTALLATION OF EIGHT (8) LANDFILL GAS EXTRACTION WELLS IN PHASE I LINER EXTENSION AREA AT SANTA MARIA REGIONAL LANDFILL (SMRL); 2065 E MAIN ST	✓					
Solid Waste Disposal Fund		500,000	-	-	-	500,000
Total		**500,000**	**-**	**-**	**-**	**500,000**
RIVER MINING ACTIVITIES OF SOIL MATERIALS IN THE SANTA MARIA RIVER FOR LANDFILL OPERATIONAL AND REGULATORYNEEDS						
Solid Waste Disposal Fund		450,000	-	475,000	-	925,000
Total		**450,000**	**-**	**475,000**	**-**	**925,000**
DESIGN, PERMITTING, CONSTRUCTION QUALITY ASSURANCE (CQA), AND CONSTRUCTION OF THE INTEGRATED WASTE MANAGEMENT FACILITY AT LOS FLORES; 6245 DOMINION RD	✓					
Solid Waste Disposal Fund		-	-	25,830,000	13,830,000	39,660,000
Total		**-**	**-**	**25,830,000**	**13,830,000**	**39,660,000**
FLEET REPLACEMENTSNo. of Vehicles/Year: 2024-25: 5						
Solid Waste Disposal Fund		582,000	-	90,000	-	672,000
Fleet Services Fund		1,968,019	-	-	-	1,968,019

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
Total		**2,550,019**	**-**	**90,000**	**-**	**2,640,019**
FLEET REFURBISHMENT No. of Vehicles/Year: 2024-25: 1						
Solid Waste Disposal Fund		445,180	-	-	-	445,180
Fleet Services Fund		379,824	-	-	-	379,824
Total		**825,004**	**-**	**-**	**-**	**825,004**
FLEET EXPANSION No. of Vehicles/Year: 2024-25: 1						
Solid Waste Disposal Fund		20,000	-	-	-	20,000
Total		**20,000**	**-**	**-**	**-**	**20,000**
Public Utilities Total Appropriations		**$ 36,760,413**	**$ 27,308,427**	**$ 43,430,270**	**$ 30,836,330**	**$ 138,335,440**
Funding Sources						
Water Fund		**$ 5,306,060**	**$ 8,363,160**	**$ 1,410,370**	**$ 1,330,540**	**$ 16,410,130**
Wastewater Fund		**4,242,140**	**14,028,480**	**13,720,100**	**14,268,910**	**46,259,630**
Solid Waste Disposal Fund		**16,739,680**	**-**	**26,395,000**	**13,830,000**	**56,964,680**
Solid Waste Collection Fund		**1,251,400**	**1,198,820**	**1,234,800**	**1,271,880**	**4,956,900**
Fleet Services Fund		**2,554,133**	**765,247**	**670,000**	**135,000**	**4,124,380**
Growth Mitigation Fund		**6,667,000**	**2,952,720**	**-**	**-**	**9,619,720**
Public Utilities Total Funding		**$ 36,760,413**	**$ 27,308,427**	**$ 43,430,270**	**$ 30,836,330**	**$ 138,335,440**
PUBLIC WAYS & FACILITIES CAPITAL PROJECTS						
PARKING STRUCTURE EVALUATION AND RETROFIT	✓					
Capital Projects - General Fund		500,000	-	5,900,000	4,100,000	10,500,000
Total		**500,000**	**-**	**5,900,000**	**4,100,000**	**10,500,000**
CITYWIDE FACILITIES – ADA ASSESSMENT	✓					
Capital Projects - General Fund		200,000	-	-	-	200,000
Total		**200,000**	**-**	**-**	**-**	**200,000**
ACTIVE TRANSPORTATION PLAN	✓					
Gas Tax & Transportation Development Act Fund		310,000	-	-	-	310,000

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
Developer / Grant Street Projects Fund		1,190,000	6,531,000	-	-	7,721,000
Measure A Fund		100,000	-	-	-	100,000
Total		**1,600,000**	**6,531,000**	**-**	**-**	**8,131,000**
HIGHWAY SAFETY IMPROVEMENT PROGRAM	✓					
Developer / Grant Street Projects Fund		500,000	-	-	-	500,000
Total		**500,000**	**-**	**-**	**-**	**500,000**
ALTERNATIVE TRANSPORTATION ENHANCEMENTS (DOWNTOWN IMPROVEMENTS)	✓					
Measure A Fund		1,145,808	1,053,614	-	-	2,199,422
Total		**1,145,808**	**1,053,614**	**-**	**-**	**2,199,422**
ENHANCED ROADWAY MAINTENANCE						
Gas Tax & Transportation Development Act Fund		4,006,458	4,006,458	3,500,000	3,600,000	15,112,916
Developer / Grant Street Projects Fund		287,000	287,000	287,000	287,000	1,148,000
Measure A Fund		600,000	1,000,000	1,000,000	1,000,000	3,600,000
Capital Projects - General Fund		1,800,468	1,800,468	5,800,468	5,800,468	15,201,872
Total		**6,693,926**	**7,093,926**	**10,587,468**	**10,687,468**	**35,062,788**
DEPOT STREET AND RAILROAD AVENUE – BIKEWAY PROJECT	✓					
Growth Mitigation Fund		-	-	-	1,706,108	1,706,108
Total		**-**	**-**	**-**	**1,706,108**	**1,706,108**
ANNUAL STREETLIGHT UPGRADE PROJECT						
Measure A Fund		181,500	199,650	-	-	381,150
Total		**181,500**	**199,650**	**-**	**-**	**381,150**
ASPHALT REPLACEMENT						
Gas Tax & Transportation Development Act Fund		130,000	130,000	130,000	130,000	520,000
Total		**130,000**	**130,000**	**130,000**	**130,000**	**520,000**
RIGHT-OF-WAY SUPPLIES						

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
Gas Tax & Transportation Development Act Fund		125,000	125,000	125,000	125,000	500,000
Total		**125,000**	**125,000**	**125,000**	**125,000**	**500,000**
STREET LIGHT PROGRAM						
Gas Tax & Transportation Development Act Fund		220,000	230,000	230,000	230,000	910,000
Total		**220,000**	**230,000**	**230,000**	**230,000**	**910,000**
TRAFFIC SIGNAL MAINTENANCE PROGRAM						
Gas Tax & Transportation Development Act Fund		100,000	100,000	100,000	100,000	400,000
Total		**100,000**	**100,000**	**100,000**	**100,000**	**400,000**
CITYWIDE LANDSCAPE MAINTENANCE						
Gas Tax & Transportation Development Act Fund		225,000	225,000	400,000	400,000	1,250,000
Measure A Fund		235,500	235,000	60,500	66,550	597,550
Total		**460,500**	**460,000**	**460,500**	**466,550**	**1,847,550**
VARIOUS STREET IMPROVEMENTS						
Gas Tax & Transportation Development Act Fund		250,000	250,000	250,000	250,000	1,000,000
Total		**250,000**	**250,000**	**250,000**	**250,000**	**1,000,000**
BICYCLE SAFETY AND OUTREACH PROGRAM						
Measure A Fund		12,100	13,210	31,000	31,000	87,310
Total		**12,100**	**13,210**	**31,000**	**31,000**	**87,310**
INTERCHANGE AT US 101/SR 135						
Growth Mitigation Fund		1,500,000	2,000,000	1,000,000	-	4,500,000
Total		**1,500,000**	**2,000,000**	**1,000,000**	**-**	**4,500,000**
BIKEWAY AND MP TRAIL PROJECTS						
Gas Tax & Transportation Development Act Fund		-	-	90,000	90,000	180,000
Total		**-**	**-**	**90,000**	**90,000**	**180,000**
EAST MAIN STREET REHABILITATION						

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
Capital Projects - General Fund		-	-	350,000	2,250,000	2,600,000
Total		**-**	**-**	**350,000**	**2,250,000**	**2,600,000**
ROOF REPAIRS: RECREATION & PARKS Locations: Bob Orach Park Restroom, Newlove Community Building (House), Newlove Community Building (Modular A), Newlove Community Building (Modular B)	✓					
Capital Projects - General Fund		74,000	-	-	-	74,000
Total		**74,000**	**-**	**-**	**-**	**74,000**
ROOF REPLACEMENT: PUBLIC WORKS YARD Locations: Operations Building, Parks Equipment Yard	✓					
Capital Projects - General Fund		261,882	101,540	-	-	363,422
Total		**261,882**	**101,540**	**-**	**-**	**363,422**
ROOF REPAIRS: FIRE DEPARTMENT Locations: Fire Station #3, Fire Station Equipment Bays, Credit Union & E.O.C. Building, Fire Station 2	✓					
Capital Projects - General Fund		162,500	293,050	-	-	455,550
Total		**162,500**	**293,050**	**-**	**-**	**455,550**
RUFFONI BUILDING TERMITE TENT	✓					
Capital Projects - General Fund		30,000	-	-	-	30,000
Total		**30,000**	**-**	**-**	**-**	**30,000**
POLICE DEPARTMENT LOCKER ROOM REMODEL	✓					
Capital Projects - General Fund		30,000	-	-	-	30,000
Total		**30,000**	**-**	**-**	**-**	**30,000**
CITY HALL REMODEL HUMAN RESOURCES OFFICE SPACE	✓					
Capital Projects - General Fund		-	-	-	130,000	130,000
Total		**-**	**-**	**-**	**130,000**	**130,000**

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
CITY-OWNED HOUSE MAINTENANCE	✓					
Capital Projects - General Fund		30,000	30,000	-	-	60,000
Total		**30,000**	**30,000**	**-**	**-**	**60,000**
DISPATCH CENTER CARPET REPLACEMENT – 1111 W. BETTERAVIA	✓					
Measure U Fund		40,000	-	-	-	40,000
Total		**40,000**	**-**	**-**	**-**	**40,000**
FACILITY PAINTING: FIRE DEPARTMENT Locations: Fire Station #3, Fire Station #3 Equipment Bays, Fire Department – E.O.C./Credit Union	✓					
Capital Projects - General Fund		39,000	24,600	-	-	63,600
Total		**39,000**	**24,600**	**-**	**-**	**63,600**
FACILITY PAINTING: RECREATION & PARKS Locations: Abel Maldonado Center, Veteran's Memorial Building	✓					
Capital Projects - General Fund		-	-	244,875	-	244,875
Total		**-**	**-**	**244,875**	**-**	**244,875**
FLEET OFFICE UPGRADES – FLOORS & WINDOWS						
Capital Projects - General Fund		30,000	-	-	-	30,000
Total		**30,000**	**-**	**-**	**-**	**30,000**
FLEET REPLACEMENTS: PUBLIC WORKS No. of Vehicles/Year: 2024-25: 2; 2027-28: 2						
Fleet Services Fund		93,000	-	405,000	-	498,000
Total		**93,000**	**-**	**405,000**	**-**	**498,000**
FLEET EXPANSION: PUBLIC WORKS No. of Vehicles/Year: 2024-25: 4						
Measure A Fund		222,000	-	-	-	222,000
Fleet Services Fund		74,000	-	-	-	74,000

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
Total		**296,000**	**-**	**-**	**-**	**296,000**
Public Ways & Facilities Total Appropriations		**$ 14,705,216**	**$ 18,635,590**	**$ 19,903,843**	**$ 20,296,126**	**$ 73,540,775**
Funding Sources						
Gas Tax & Transportation Development Act Fund		**$ 5,366,458**	**$ 5,066,458**	**$ 4,825,000**	**$ 4,925,000**	**$ 20,182,916**
Measure A Fund		**2,496,908**	**2,501,474**	**1,091,500**	**1,097,550**	**7,187,432**
Measure U Fund		**40,000**	**-**	**-**	**-**	**40,000**
Growth Mitigation Fund		**1,500,000**	**2,000,000**	**1,000,000**	**1,706,108**	**6,206,108**
Developer / Grant Street Projects Fund		**1,977,000**	**6,818,000**	**287,000**	**287,000**	**9,369,000**
Fleet Services Fund		**167,000**	**-**	**405,000**	**-**	**572,000**
Capital Projects - General Fund		**3,157,850**	**2,249,658**	**12,295,343**	**12,280,468**	**29,983,319**
Public Ways & Facilities Total Funding		**$ 14,705,216**	**$ 18,635,590**	**$ 19,903,843**	**$ 20,296,126**	**$ 73,540,775**
PUBLIC TRANSIT CAPITAL PROJECTS						
PROCUREMENT OF UTILITY TRUCK	✓					
Public Transit Fund		95,000	-	-	-	95,000
Total		**95,000**	**-**	**-**	**-**	**95,000**
SANTA MARIA REGIONAL TRANSIT OPERATIONS YARD IMPROVEMENTS	✓					
Public Transit Fund		-	200,000	-	-	200,000
Total		**-**	**200,000**	**-**	**-**	**200,000**
GUADALUPE CONSOLIDATION STUDY	✓					
Public Transit Fund		85,000	-	-	-	85,000
Total		**85,000**	**-**	**-**	**-**	**85,000**
PROCUREMENT OF TWO (2) BUS LIFTS	✓					
Public Transit Fund		80,000	80,000	-	-	160,000
Total		**80,000**	**80,000**	**-**	**-**	**160,000**
TRANSIT CENTER OPTIMIZATION						
Public Transit Fund	✓	500,000	500,000	-	-	1,000,000
Total		**500,000**	**500,000**	**-**	**-**	**1,000,000**
PROCUREMENT OF ELECTRIC FORKLIFT	✓					

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
Public Transit Fund		75,000	-	-	-	75,000
Total		**75,000**	**-**	**-**	**-**	**75,000**
PROCUREMENT OF FIVE (5) OVER THE ROAD COACHES	✓					
Public Transit Fund		-	2,400,000	3,600,000	-	6,000,000
Total		**-**	**2,400,000**	**3,600,000**	**-**	**6,000,000**
PROCUREMENT OF FIVE (5) EXPANSION BUSES	✓					
Public Transit Fund		3,900,000	2,600,000	-	-	6,500,000
Total		**3,900,000**	**2,600,000**	**-**	**-**	**6,500,000**
BUS STOP IMPROVEMENTS	✓					
Public Transit Fund		300,000	300,000	-	-	600,000
Total		**300,000**	**300,000**	**-**	**-**	**600,000**
CLEAN AIR EXPRESS CONSOLIDATION STUDY	✓					
Public Transit Fund		85,000	-	-	-	85,000
Total		**85,000**	**-**	**-**	**-**	**85,000**
SHORT RANGE TRANSIT PLAN	✓					
Public Transit Fund		-	-	150,000	-	150,000
Total		**-**	**-**	**150,000**	**-**	**150,000**
BRT IMPLEMENTATION	✓					
Public Transit Fund		-	-	9,600,000	9,600,000	19,200,000
Total		**-**	**-**	**9,600,000**	**9,600,000**	**19,200,000**
Public Transit Total Appropriations		**$ 5,120,000**	**$ 6,080,000**	**$ 13,350,000**	**$ 9,600,000**	**$ 34,150,000**
Funding Sources						
Public Transit Fund		**$ 5,120,000**	**$ 6,080,000**	**$ 13,350,000**	**$ 9,600,000**	**$ 34,150,000**
Public Transit Total Funding		**$ 5,120,000**	**$ 6,080,000**	**$ 13,350,000**	**$ 9,600,000**	**$ 34,150,000**
LEISURE & CULTURAL SERVICES CAPITAL PROJECTS						
REPLACE LIGHTING AT PAUL NELSON AQUATIC CENTER	✓					
Capital Projects - General Fund		100,000	-	-	-	100,000

CAPITAL PROJECTS LIST BY CATEGORY						
		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
Total		**100,000**	**-**	**-**	**-**	**100,000**
POCKET PARKS	✓					
Capital Projects - General Fund		-	-	1,000,000	1,000,000	2,000,000
Total		**-**	**-**	**1,000,000**	**1,000,000**	**2,000,000**
NEW PLAYGROUND INSTALLATIONS TO REPLACE AGING PLAYGROUNDS AT CITY PARKS	✓					
Residential Development Tax Fund		325,000	325,000	-	-	650,000
Total		**325,000**	**325,000**	**-**	**-**	**650,000**
PARK FURNISHINGS						
Quimby-Park Acquisition & Development Fund		150,000	150,000	150,000	150,000	600,000
Total		**150,000**	**150,000**	**150,000**	**150,000**	**600,000**
PREISKER PARK POND LINER REHABILITATION	✓					
Capital Projects - General Fund		-	600,000	-	-	600,000
Total		**-**	**600,000**	**-**	**-**	**600,000**
LOS FLORES RANCH PROJECTS						
Residential Development Tax Fund		175,000	175,000	175,000	175,000	700,000
Total		**175,000**	**175,000**	**175,000**	**175,000**	**700,000**
ADA BARRIER REMOVAL AT SIMAS FIELD	✓					
Capital Projects - General Fund		-	-	1,000,000	-	1,000,000
Total		**-**	**-**	**1,000,000**	**-**	**1,000,000**
TREE TRIMMING	✓					
Northwest Landscape District Fund		200,000	-	-	-	200,000
Total		**200,000**	**-**	**-**	**-**	**200,000**
LIBRARY SPACE LAYOUT	✓					
Measure U Fund		45,000	20,000	-	-	65,000
Total		**45,000**	**20,000**	**-**	**-**	**65,000**

CAPITAL PROJECTS LIST BY CATEGORY		Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
FLEET REPLACEMENTS: RECREATION & PARKS No. of Vehicles/Year: 2024-25: 1; 2025-26: 1; 2027-28: 1	✓					
Fleet Services Fund		85,000	75,000	-	100,000	260,000
Total		**85,000**	**75,000**	**-**	**100,000**	**260,000**
FLEET REFURBISHMENT: RECREATION & PARKSNo. of Vehicles/Year: 2024-25: 1						
Fleet Services Fund		50,000	-	-	-	50,000
Total		**50,000**	**-**	**-**	**-**	**50,000**
Leisure & Cultural Services Total Appropriations		**$ 1,130,000**	**$ 1,345,000**	**$ 2,325,000**	**$ 1,425,000**	**$ 6,225,000**
Funding Sources						
Capital Projects - General Fund		**$ 100,000**	**$ 600,000**	**$ 2,000,000**	**$ 1,000,000**	**$ 3,700,000**
Fleet Services Fund		**135,000**	**75,000**	**-**	**100,000**	**310,000**
Measure U Fund		**45,000**	**20,000**	**-**	**-**	**65,000**
Northwest Landscape District Fund		**200,000**	**-**	**-**	**-**	**200,000**
Residential Development Tax Fund		**500,000**	**500,000**	**175,000**	**175,000**	**1,350,000**
Quimby-Park Acquisition & Development Fund		**150,000**	**150,000**	**150,000**	**150,000**	**600,000**
Leisure & Cultural Services Total Funding		**$ 1,130,000**	**$ 1,345,000**	**$ 2,325,000**	**$ 1,425,000**	**$ 6,225,000**
GENERAL GOVERNMENT CAPITAL PROJECTS						
MOTOROLA BACKHAUL REFRESH	✓					
Capital Projects - General Fund		250,000	-	-	-	250,000
Total		**250,000**	**-**	**-**	**-**	**250,000**
REFRESH OF CAD/RMS	✓					
Measure U Fund		1,200,000	-	-	-	1,200,000
Total		**1,200,000**	**-**	**-**	**-**	**1,200,000**
FLEET REPLACEMENTS: COMMUNITY DEVELOPMENT No. of Vehicles/Year: 2027-28: 3	✓					

CAPITAL PROJECTS LIST BY CATEGORY	Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
Fleet Services Fund	-	-	-	165,000	165,000
Total	**-**	**-**	**-**	**165,000**	**165,000**
General Government Total Appropriations	**$1,450,000**	**$-**	**$-**	**$165,000**	**$1,615,000**
Funding Sources					
Capital Projects - General Fund	**$ 250,000**	**$ -**	**$ -**	**$ -**	**$ 250,000**
Fleet Services Fund	**-**	**-**	**-**	**165,000**	**165,000**
Measure U Fund	**1,200,000**	**-**	**-**	**-**	**1,200,000**
General Government Total Funding	**$ 1,450,000**	**$ -**	**$ -**	**$ 165,000**	**$ 1,615,000**
Capital, Maintenance & Equipment Projects Total Funding	**$ 62,211,629**	**$ 53,634,017**	**$ 91,939,113**	**$ 62,322,456**	**$ 270,107,215**

SUMMARY BY PROJECT TYPE					
PUBLIC SAFETY	**$ 3,046,000**	**$ 265,000**	**$ 12,930,000**	**$ -**	**$ 16,241,000**
PUBLIC UTILITIES	**36,760,413**	**27,308,427**	**43,430,270**	**30,836,330**	**138,335,440**
PUBLIC WAYS & FACILITIES	**14,705,216**	**18,635,590**	**19,903,843**	**20,296,126**	**73,540,775**
PUBLIC TRANSIT	**5,120,000**	**6,080,000**	**13,350,000**	**9,600,000**	**34,150,000**
LEISURE & CULTURAL SERVICES	**1,130,000**	**1,345,000**	**2,325,000**	**1,425,000**	**6,225,000**
GENERAL GOVERNMENT	**1,450,000**	**-**	**-**	**165,000**	**1,615,000**
GRAND TOTAL	**$ 62,211,629**	**$ 53,634,017**	**$ 91,939,113**	**$ 62,322,456**	**$ 270,107,215**

SUMMARY BY PROJECT TYPE					
CAPITAL PROJECTS - GENERAL FUND	**$ 3,507,850**	**$ 2,849,658**	**$ 14,295,343**	**$ 13,280,468**	**$ 33,933,319**
MEASURE U FUND	**1,285,000**	**20,000**	**12,000,000**	**-**	**13,305,000**
GAS TAX & TRANSPORTATION DEVELOPMENT ACT FUND	**5,366,458**	**5,066,458**	**4,825,000**	**4,925,000**	**20,182,916**
GROWTH MITIGATION FUND	**8,167,000**	**4,952,720**	**1,000,000**	**1,706,108**	**15,825,828**
RESIDENTIAL DEVELOPMENT TAX FUND	**500,000**	**500,000**	**175,000**	**175,000**	**1,350,000**
MEASURE A FUND	**2,496,908**	**2,501,474**	**1,091,500**	**1,097,550**	**7,187,432**
PUBLIC TRANSIT FUND	**5,120,000**	**6,080,000**	**13,350,000**	**9,600,000**	**34,150,000**
WATER FUND	**5,306,060**	**8,363,160**	**1,410,370**	**1,330,540**	**16,410,130**
WASTEWATER FUND	**4,242,140**	**14,028,480**	**13,720,100**	**14,268,910**	**46,259,630**

CAPITAL PROJECTS LIST BY CATEGORY	Adopted 2024-25	Adopted 2025-26	Projected 2026-27	Projected 2027-28	Four-Year Total
DEVELOPER / GRANT STREET PROJECTS FUND	1,977,000	6,818,000	287,000	287,000	9,369,000
FLEET SERVICES FUND	5,902,133	1,105,247	2,005,000	400,000	9,412,380
SOLID WASTE DISPOSAL FUND	16,739,680	-	26,395,000	13,830,000	56,964,680
SOLID WASTE COLLECTION FUND	1,251,400	1,198,820	1,234,800	1,271,880	4,956,900
QUIMBY-PARK ACQUISITION & DEVELOPMENT FUND	150,000	150,000	150,000	150,000	600,000
NORTHWEST LANDSCAPE DISTRICT FUND	200,000	-	-	-	200,000
GRAND TOTAL	$ 62,211,629	$ 53,634,017	$ 91,939,113	$ 62,322,456	$ 270,107,215

GENERAL FUND PROJECTS NOT FUNDED					
DRAINAGE IMPROVEMENT PROJECTS	$ 75,000	$ -	$ -	$ -	$ 75,000
RECREATION & PARKS ANNEX 2 WINDOW REPLACEMENT	60,000	-	-	-	60,000
OLD LIBRARY STRUCTURAL EVALUATION	125,000	-	-	-	125,000
PUBLIC WORKS OPERATIONS OFFICE BUILDING WINDOW REPLACEMENT	40,000	-	-	-	40,000
FACILITY PAINTING: RECREATION & PARKS	405,050	-	-	-	405,050
TURF REMOVAL	250,000	-	-	-	250,000
INSTALL GATES AT PARKING LOTS AT MINAMI AND EDWARDS	-	20,000	-	-	20,000
ELKS FIELD LIGHTING	1,500,000	-	-	-	1,500,000
GRAND TOTAL	$ 2,455,050	$ 20,000	$ -	$ -	$ 2,475,050

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PERSONNEL

City of Santa Maria

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PERSONNEL OVERVIEW

The full-time equivalent (FTE) counts listed in this budget document reflect positions funded with current resources. All positions, both full and part-time, are shown in the FTE count. A Full-Time Equivalent (FTE) is defined as a position that works 2,080 hours per fiscal year, or 2,912 hours for certain Fire personnel. For example, a full-time employee who works 2,080 hours per year equals 1.00 FTE. A part-time employee who works 1,664 hours per fiscal year equals 0.80 FTE. The FTE for Fire Department positions are reflected at the applicable calendar of 2,080 or 2,912 hours per FTE.

POSITION CONTROL

Addition or deletion of positions following budget adoption will occur within City guidelines as stated in Santa Maria Municipal Code Section 2-20.03 Change of Classifications: "The allocation of positions as of the adoption of the ordinance from which this section derives may be changed by the City Manager whenever the duties of the position change materially; provided, that the proposed change conforms with this chapter, with the established classification plan, and with the approved budget. The City Manager's review of a position or the creation of a new position occurs upon the recommendation of the department director, or upon the request of an employee and with the concurrence of the department director and the Human Resources Division." In many cases these are referred to as reclassifications.

SUMMARY OF SIGNIFICANT CHANGES

The positions listed in this budget document reflect those previously adopted during the 2023-24 mid-cycle budget update, those added and deleted (reclassifications) by the City Manager and through other City Council actions, specifically as part of the budget amendments presented with the First and Second Quarter 2023-24 Financial Reports, as well as the Enterprise Resource Planning System Project Implementation budget amendment adopted by Council in March 2024, which added 10 fixed term positions for the project. In preparation for the biennial budget process, departments assess their operational needs and recommend the addition, consolidation, or deletion of positions through Supplemental Budget Requests (SBRs) that have a nexus to support and align with the City Council's goals and priorities.

This 2024-25 budget includes 732.40 full-time equivalents (FTE). The adopted budget indicates the addition of 4.8 positions in the General Fund, 5 positions in the Enterprise Fund, 1 position in Assessment Districts, 3 positions in Measure A, and 1 position in the Insurance Fund. This accounts for a total of 14.8 new FTEs.

Additionally, the adopted budget indicates funding of 7 Police Officer positions, 1 Investigative Specialist position, and 1 Administrative Leader position previously authorized but unfunded. This accounts for a total of 9 funded FTEs. Overall, the adopted budget reflects an increase of 47.40 FTE as compared to the 2023-24 adopted budget, which included 685.00 FTE. Of these 47.40 FTEs, 22 positions were added and another 6 positions previously authorized but unfunded, were funded by the City Council during Quarter 1, Quarter 2, and the ERP reports provided during Council meetings. These 28 positions were offset by a decrease of 4.2 positions through reallocations of existing positions, resulting in 23.80 total new FTEs being enrolled in the FY24-26 budget, but are not considered "new" positions as they were approved prior to the adopted budget. The 2025-26 budget includes a 0.0 FTE increase as compared to 2024-25.

PERSONNEL SUMMARY BY FUND						
	Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
CITY FUND						
001, 011 – General and Measure U Funds	465.183	499.123	33.940	499.123	-	(1)
002 – Water Fund	33.734	34.992	1.258	34.992	-	(1), (2)
003 – Solid Waste Collection Fund	42.574	44.810	2.236	44.810	-	(1), (2)
004 – Wastewater Fund	25.252	28.498	3.246	28.498	-	(1), (2)
007 – Fleet Services Fund	15.263	15.263	-	15.263	-	
009 – Library Fund	27.200	27.400	0.200	27.400	-	(4)
010 – Solid Waste Disposal Fund	28.840	29.500	0.660	29.500	-	(1), (2)
023 – Radio Technology Fund	2.000	2.000	-	2.000	-	(5)
03* – Assessment Districts	12.150	14.350	2.200	14.350	-	(6)
066 – Public Transit Fund	5.750	5.750	-	5.750	-	
068 – Measure A Fund	22.623	25.623	3.000	25.623	-	(7)
07* – Insurance Funds	3.340	4.000	0.660	4.000	-	(1), (8)
998 – SM Community TV Fund	1.090	1.090	-	1.090	-	
Total Budgeted FTE	**685.000**	**732.400**	**47.400**	**732.400**	**-**	

SUMMARY OF CHANGES

The FY 2024-25 budget includes 732.40 FTE, an increase of 47.40 FTE as compared to the FY 2023-24 budget. The FY 2025-26 budget includes a 0.00 FTE increase as compared to the FY 2024-25 budget. The following summaries net increases and decreases in total FTE at the fund level.

(1) **General Fund:** 33.94 FTE increase in FY 2024-25 reflects the following:

a. **First Quarter 2023-24 Budget Amendment:**
   i. One (1) 1.00 FTE Assistant Director: Recreation & Parks position was added for the Recreation & Parks Department.

b. **Second Quarter 2023-24 Budget Amendment:**
   i. One (1) 1.00 FTE Organization/Enterprise Leader (Non-Safety) serving as an Assistant City Attorney/City Prosecutor was added for the City Attorney's Office;
   ii. One (1) 1.00 FTE Deputy Building Official was added for the Community Development Department;
   iii. One (1) 1.00 FTE Fire Fighter, one (1) 1.00 FTE Fire Captain, and one (1) 1.00 FTE Fire Engineer were added for the Fire Department;
   iv. Two (2) 1.00 FTE Fire Fighters, two (2) 1.00 FTE Fire Captains, and two (2) 1.00 FTE Fire Engineers that were previously authorized but unfunded for the Fire Department were funded for FY 2023-24; and,
   v. One (1) 1.00 FTE Senior Park Services Officer was added for the Recreation & Parks Department.

c. **2023-24 Reclassifications:**
   i. One (1) 1.00 FTE Confidential Office Clerk II was reclassified as one (1) 1.00 FTE Legal Office Specialist for the City Attorney's Office.
   ii. One (1) 1.00 FTE Systems Analyst II was reclassified as one (1) 1.00 FTE Senior Systems Analyst and One (1) 1.00 FTE GIS Technician II was reclassified as one (1) 1.00 FTE GIS Analyst for the City Manager's Office.
   iii. One (1) 1.00 FTE Secretary was reclassified as one (1) 1.00 FTE Administrative Assistant for the Fire Department.
   iv. Two (2) 1.00 FTE Finance Clerk II reclassified as two (2) 1.00 FTE Program Leader for the Finance Department.

v. One (1) 1.00 FTE Account Clerk II reclassified as one (1) 1.00 FTE Administrative Assistant and one (1) 1.00 FTE Police Services Technician reclassified as one (1) 1.00 FTE Lead Police Services Technician for the Police Department.
vi. One (1) 1.00 FTE Senior Civil Engineer reclassified as one 1.00 FTE Principal Civil Engineer and one (1) 1.00 FTE Secretary reclassed as one (1) 1.00 FTE Administrative Assistant (Funding split between General Fund and Measure A 85%/15%) for the Public Works Department.
vii. Two (2) 1.00 FTE Recreation Technician and one (1) 0.80 FTE Facility Specialist II reclassified as two (2) 1.00 FTE Senior Crew Leader-Maintenance Specialist, three (3) 1.00 FTE Groundskeeper reclassified as three (3) 1.00 FTE Maintenance Worker I, thirteen (13) 0.80 FTE Laborer III reclassified as seven (7) 1.00 FTE Maintenance Worker I/II, and two (2) 0.80 FTE Facility Specialist III and one (1) 0.80 FTE Senior Lifeguard were reclassified as two (2) 1.00 FTE Recreation Coordinator for the Recreation & Parks Department.

d. **Enterprise Resource Planning System Project Implementation Fixed-Term Positions (March 2024 Budget Amendment):**
   i. Two (2) 1.00 FTE Admin Leader and one (1) 1.00 FTE Confidential Technician I/II were added to the Human Resources Division of the City Manager's Office.
   ii. One (1) 1.00 FTE Senior Project Manager was added to the Information Technology Division of the City Manager's Office.
   iii. One (1) 1.00 FTE Program Leader, one (1) 1.00 FTE Confidential Technician I/II, one (1) 1.00 FTE Accounting Technician I/II, and three (3) 1.00 FTE Finance Clerk I/II were added for the Finance Department.

e. **2024-25:**
   i. **Previously Authorized & Unfunded Positions:**
      - One (1) 1.00 FTE Administrative Leader that was previously authorized but unfunded for the City Clerk/Records Division of the City Manager's Office will be funded in FY 2024-25.
      - Seven (7) 1.00 FTE Police Officer and one (1) 1.00 FTE Investigative Specialist I/II for the Police Department that were previously authorized but unfunded for the Police Department will be funded in FY 2024-25.
   ii. **Supplemental Budget Requests - Additions:**
      - One (1) 1.00 FTE Confidential Technician I is added for the Information Technology Division of the City Manager's Office.
      - One (1) 1.00 FTE Confidential Technician I and one (1) 1.00 FTE Program Leader are added to the Human Resources Division of the City Manager's Office.
      - One (1) 1.00 FTE Program Leader is eliminated in exchange for two (2) 1.00 FTE Confidential Technician I/II positions for the Finance Department (exchange is budget neutral).
      - One (1) 0.80 FTE Security Guard is added for the Recreation & Parks Department. The budget for three (3) Security Aide (limited service) is eliminated.
   iii. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**
      - One (1) 1.00 FTE Program Leader is reallocated for the Human Resources Division of the City Manager's Office to the General Fund from the Insurance Funds and reflects current organization structure.
      - Partial funding for two (2) Corporate/Executive Leader (Non-Safety) positions (0.34 FTE) was reallocated to the City Manager's Office in the General Fund.
      - One (1) 0.80 FTE Account Clerk Aide is reallocated from the Utility Billing Division to the Revenue Division within the Finance Department to reflect current organization structure.
      - One (1) 1.00 FTE Organization/Enterprise Leader (Safety) will be reclassified to serve at an Assistant Chief of Police level position and the Crime Analyst classification will be converted to a Crime Analyst I/II flex series. The budget for one (1) Reserve Police Officer Level 1 (limited service) and one (1) Reserve Police Officer (limited service) is eliminated (exchange is budget neutral).
      - A Digital Forensics Examiner flex series will be created for the Police Department.

- One (1) 1.00 FTE Principal Civil Engineer is reclassified as one (1) 1.00 FTE Organization/Enterprise Leader (Non-Safety) to serve at the City Engineer/Deputy Director Public Works level for the Public Works Department.
- Two (2) 1.00 FTE Public Works Technician I are reclassified as two (2) 1.00 FTE Engineering Technician II, and one (1) 1.00 FTE Engineer III is reclassified as one (1) 1.00 FTE Senior Civil Engineer, for the Public Works Department (exchange is budget neutral).
- One (1) part-time 0.80 FTE Graphics Technician is converted to one (1) full-time 1.00 FTE Graphics Technician for the Recreation & Parks Department.
- One (1) part-time 0.80 FTE Staff Assistant is reclassified as one (1) full-time 1.00 FTE Account Clerk I/II. One (1) part-time 0.80 FTE Clerk II is eliminated for the Recreation & Parks Department (exchange is budget neutral).

(2) **Water Fund, Wastewater Fund, Solid Waste Collection Fund, and Solid Waste Disposal Fund:** 7.40 FTE increase in FY 2024-25 reflects the following:

a. **Second Quarter 2023-24 Budget Amendment:**
   i. One (1) 1.00 FTE Administrative Leader, one (1) 1.00 FTE Wastewater Supervisor, and one (1) 1.00 FTE Water Resources Manager were added for the Utilities Department.

b. **2023-24 Reclassifications/Reallocations:**
   i. Two (2) 1.00 FTE Customer Service Clerk reclassed as two (2) 1.00 FTE Finance Clerk.
   ii. One (1) 1.00 FTE Business Program Leader was reclassed as one (1) 1.00 FTE Regulatory Compliance Manager.
   iii. One (1) part-time 0.80 FTE Staff Assistant reclassified as one (1) 1.00 FTE full-time Office Assistant I

c. **2024-25:**
   i. **Supplemental Budget Requests - Additions:**
      - One (1) 1.00 FTE Organization/Enterprise Leader (Non-Safety) serving as a Deputy Director – Administration, one (1) 1.00 FTE Electrical & Instrumentation Technician, one 1.00 FTE (1) Program Leader, one (1) 1.00 FTE Utilities Outreach Specialist, and one (1) 1.00 FTE Regulatory Compliance Specialist II are added for the Utilities Department.
   ii. **Supplemental Budget Requests - Reclassifications:**
      - One (1) 1.00 FTE Senior Civil Engineer is reclassified as one (1) 1.00 FTE Principal Civil engineer for the Utilities Department.
      - One (1) 0.80 FTE Account Clerk Aide is reallocated from the Utility Billing Division to the Revenue Division within the Finance Department to reflect current organization structure.

(3) **Fleet Services Fund:** 0.00 FTE increase in FY 2024-25 reflects the following:

a. 2023-24 Reclassifications:
   i. One (1) 1.00 FTE Equipment Mechanic II reclassified as one (1) 1.00 FTE Heavy Equipment Mechanic.

(4) **Library Fund:** 0.20 FTE increase in FY 2024-25 reflects the following:

a. **2024-25:**
   i. **Supplemental Budget Requests – Reclassifications:**
      - One (1) 1.00 FTE Secretary is reclassified as one (1) 1.00 FTE Administrative Assistant for the Library Department. The budget for one (1) Assistant Library Technician (limited service) was eliminated (exchange is budget neutral).
      - One (1) part-time 0.80 FTE Graphics Technician is converted to one (1) full-time 1.00 FTE Graphics Technician for the Library Department. The budget for one (1) Assistant Library Technician (limited service) was eliminated (exchange is budget neutral).

(5) **Radio Technology Fund:** 0.00 FTE increase in FY 2024-25 reflects the following:

a. **2024-25:**
   i. **Supplemental Budget Requests – Reclassifications:**
      - One (1) 1.00 FTE Systems Analyst II is reclassified as one (1) 1.00 FTE Senior Systems Analyst for the Information Technology Division of the City Manager's Office.

(6) **Assessment Districts:** 2.20 FTE increase in FY 2024-25 reflects the following:
   a. **Second Quarter 2023-24 Budget Amendment:**
      i. One (1) 1.00 FTE Account Clerk I was added for the Recreation & Parks Department.
   b. **2023-24 Reclassifications:**
      i. One (1) part-time 0.80 FTE Laborer III is reclassified as one (1) full-time 1.00 FTE Maintenance Worker I/II.
      ii. Two (2) 1.00 FTE Groundskeeper reclassified as two (2) 1.00 FTE Maintenance Worker I
   c. **2024-25:**
      i. **Supplemental Budget Requests – Additions:**
         - One (1) 1.00 FTE Public Works Technician is added for the Recreation & Parks Department. The budget for one (1) Maintenance Technician (limited service) is eliminated.

(7) **Measure A Fund:** 3.00 FTE increase in FY 2024-25 reflects the following:
   a. **2024-25:** One (1) 1.00 FTE Public Works Operations Manager, one (1) 1.00 FTE Account Clerk I/II, one (1) 1.00 FTE Maintenance Worker I/II, and one (1) Intern – Profession (limited service) serving as a GIS Intern are added for the Public Works Department.

(8) **Insurance Funds:** 0.66 FTE increase in FY 2024-25 reflects the following:
   a. **Second Quarter 2023-24 Budget Amendment:**
      i. One (1) 1.00 FTE Confidential Technician II was added for the Risk Management Division of the City Attorney's Office.
   b. **2024-25:**
      i. **Supplemental Budget Requests – Additions:**
         - One (1) 1.00 FTE Program Leader (Assistant Risk Manager) is added for the Risk Management Division of the City Attorney's Office.
      ii. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**
         - One (1) 1.00 FTE Program Leader is reallocated for the Human Resources Division of the City Manager's Office to the General Fund from the Insurance Funds and reflects current organization structure.
         - Partial funding for two (2) Corporate/Executive Leader (Non-Safety) positions (0.34 FTE) was reallocated to the City Manager's Office in the General Fund.

PERSONNEL SUMMARY BY DEPARTMENT						
	Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
CITY DEPARTMENT						
003 – City Attorney's Office	5.00	10.00	5.00	10.00	-	(1)
004 – City Manager's Office	37.80	43.80	6.00	43.80	-	(2)
005 – Finance	24.80	31.80	7.00	31.80	-	(3)
006 – Community Development	32.00	33.00	1.00	33.00	-	(4)
007 – Library	27.20	27.40	0.20	27.40	-	(5)
008 – Recreation & Parks	94.00	94.00	0.00	94.00	-	(6)
009 – Fire	77.80	86.80	9.00	86.80	-	(7)
010 – Police	192.00	200.00	8.00	200.00	-	(8)
011 – Public Works	71.80	74.80	3.00	74.80	-	(9)
011 – Utilities	122.60	130.80	8.20	130.80	-	(10)
Total Budgeted FTE	**685.00**	**732.40**	**47.40**	**732.40**	**-**	

(1) **City Attorney's Office:** 5.00 FTE increase in FY 2024-25 reflects the following:
   a. **Second Quarter 2023-24 Budget Amendment:**
      i. One (1) 1.00 FTE Organization/Enterprise Leader (Non-Safety) serving as an Assistant City Attorney/City Prosecutor was added in the General Fund.
      ii. One (1) 1.00 FTE Confidential Technician II was added for the Risk Management Division in the Insurance Funds.
   b. **2023-24 Reclassifications:**
      i. One (1) 1.00 FTE Confidential Office Clerk II was reclassified as one (1) 1.00 FTE Legal Office Specialist in the General Fund.
   c. **2024-25:**
      i. **Supplemental Budget Requests – Additions:**
         - One (1) 1.00 FTE Program Leader (Assistant Risk Manager) is added for the Risk Management Division in the Insurance Funds.
      ii. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**
         - Oversight of the Risk Management Division, including one (1) 1.00 FTE Business Leader and one (1) 1.00 FTE Confidential Technician I/II, was transferred from the City Manager's Office to the City Attorney's Office within the Insurance Funds.

(2) **City Manager's Office:** 6.00 FTE increase in FY 2024-25 reflects the following:
   a. **2023-24 Reclassifications:**
      i. One (1) 1.00 FTE Systems Analyst II was reclassified as one (1) 1.00 FTE Senior Systems Analyst in the Radio Technology Fund and One (1) 1.00 FTE GIS Technician II was reclassified as one (1) 1.00 FTE GIS Analyst in the General Fund for the City Manager's Office.
   b. **Enterprise Resource Planning System Project Implementation Fixed-Term Positions (March 2024 Budget Amendment):**
      i. Two (2) 1.00 FTE Admin Leader and one (1) 1.00 FTE Confidential Technician I/II were added to the Human Resources Division in the General Fund.
      ii. One (1) 1.00 FTE Senior Project Manager was added to the Information Technology Division in the General Fund.
   c. **2024-25:**
      i. **Previously Authorized & Unfunded Positions:**
         - One (1) 1.00 FTE Administrative Leader that was previously authorized and unfunded for the City Clerk/Records Division will be funded in FY 2024-25 in the General Fund.
      ii. **Supplemental Budget Requests – Additions:**
         - One (1) 1.00 FTE Confidential Technician I is added for the Information Technology Division in the General Fund.

- One (1) 1.00 FTE Confidential Technician I and one (1) 1.00 FTE Program Leader are added to the Human Resources Division in the General Fund.

iii. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**
- One (1) 1.00 FTE Program Leader is shifted to the General Fund from the Insurance Funds for the Human Resources Division of the City Manager's Office to reflect the current organization structure.
- Oversight of the Risk Management Division, including one (1) 1.00 FTE Business Leader and one (1) 1.00 FTE Confidential Technician I/II, was transferred from the City Manager's Office to the City Attorney's Office within the Insurance Funds.
- Partial funding for two (2) Corporate/Executive Leader (Non-Safety) positions (0.34 FTE) was reallocated to the City Manager's Office in the General Fund.

(3) **Finance:** 7.00 FTE increase in FY 2024-25 reflects the following:

a. **2023-24 Reclassifications:**
i. Two (2) 1.00 FTE Finance Clerk II reclassified as two (2) 1.00 FTE Program Leader for the Finance Department in the Enterprise Funds.

b. **Enterprise Resource Planning System Project Implementation Fixed-Term Positions (March 2024 Budget Amendment):**
i. One (1) 1.00 FTE Program Leader, one (1) 1.00 FTE Confidential Technician I/II, one (1) 1.00 FTE Accounting Technician I/II, and three (3) 1.00 FTE Finance Clerk I/II were added for the Finance Department in the General Fund.

c. **2024-25:**
i. **Supplemental Budget Requests – Additions:**
- One (1) 1.00 FTE Program Leader is eliminated in exchange for two (2) 1.00 FTE Confidential Technician I/II positions in the General Fund (exchange is budget neutral).

ii. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**
- One (1) 0.80 FTE Account Clerk Aide is shifted from the Utility Billing Division (Enterprise Funds) to the Revenue Division (General Fund) within the Finance Department to reflect the current organization structure.

(4) **Community Development:** 1.00 FTE increase in FY 2024-25 reflects the following:

a. **Second Quarter 2023-24 Budget Amendment:**
i. One (1) 1.00 FTE Deputy Building Official was added in the General Fund.

(5) **Library:** 0.20 FTE increase in FY 2024-25 reflects the following:

a. **2024-25:**
i. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**
- One (1) 1.00 FTE Secretary is reclassified as one (1) 1.00 FTE Administrative Assistant in the Library Fund. The budget for one (1) Assistant Library Technician (limited service) was eliminated (exchange is budget neutral).
- One (1) part-time 0.80 FTE Graphics Technician is converted to one (1) full-time 1.00 FTE Graphics Technician in the Library Fund. The budget for one (1) Assistant Library Technician (limited service) was eliminated (exchange is budget neutral).

(6) **Recreation & Parks:** 0.00 FTE increase in FY 2024-25 reflects the following:

a. **First Quarter 2023-24 Budget Amendment:**
i. One (1) 1.00 FTE Assistant Director: Recreation & Parks position was added in the General Fund.

b. **Second Quarter 2023-24 Budget Amendment:**
i. One (1) 1.00 FTE Senior Park Services Officer was added in the General Fund.
ii. One (1) 1.00 FTE Account Clerk I was added in the Assessment Districts Fund.

c. **2023-24 Reclassifications:**
i. Two (2) 1.00 FTE Recreation Technician and one (1) 0.80 FTE Facility Specialist II reclassified as two (2) 1.00 FTE Senior Crew Leader-Maintenance Specialist, three (3) 1.00 FTE Groundskeeper reclassified as three (3) 1.00 FTE Maintenance Worker I/II, thirteen (13) 0.80 FTE Laborer III reclassified as seven (7) 1.00 FTE Maintenance Worker I/II, and two (2) 0.80 FTE Facility Specialist III and one (1) 0.80 FTE Senior Lifeguard were reclassified as two (2)

1.00 FTE Recreation Coordinator in the General Fund. The budget for one (1) Technical Aide III (limited service) is eliminated.

ii. Two (2) 1.00 FTE Groundskeeper reclassified as two (2) 1.00 FTE Maintenance Worker I/II and one (1) part-time 0.80 FTE Laborer III reclassified as one (1) full-time 1.00 FTE Maintenance Worker I/II in the Assessments District Fund.

d. **2024-25:**

i. **Supplemental Budget Requests – Additions:**

- One (1) 0.80 FTE Security Guard is added in the General Fund. The budget for three (3) Security Aide (limited service) is eliminated.
- One (1) 1.00 FTE Public Works Technician is added in the Assessment Districts Fund. The budget for one (1) Maintenance Technician (limited service) is eliminated.

ii. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**

- One (1) part-time 0.80 FTE Graphics Technician is converted to one (1) full-time 1.00 FTE Graphics Technician in the General Fund.
- One (1) part-time 0.80 FTE Staff Assistant is reclassified as one (1) full-time 1.00 FTE Account Clerk I/II in the General Fund. One (1) part-time 0.80 FTE Clerk II is eliminated in the General Fund (exchange is budget neutral).

(7) **Fire:** 9.00 FTE increase in FY 2024-25 reflects the following:

a. **Second Quarter 2023-24 Budget Amendment:**

i. One (1) 1.00 FTE Fire Fighter, one (1) 1.00 FTE Fire Captain, and one (1) 1.00 FTE Fire Engineer were added for the Fire Department in the General Fund.

ii. Two (2) 1.00 FTE Fire Fighters, two (2) 1.00 FTE Fire Captains, and two (2) 1.00 FTE Fire Engineers that were previously authorized but unfunded were funded for FY 2023-24 in the General Fund.

b. **2023-24 Reclassifications:**

i. One (1) 1.00 FTE Secretary was reclassified as one (1) 1.00 FTE Administrative Assistant in the General Fund.

(8) **Police:** 8.00 FTE increase in FY 2024-25 reflects the following:

a. **2023-24 Reclassifications:**

i. One (1) 1.00 FTE Account Clerk II reclassified as one (1) 1.00 FTE Administrative Assistant and one (1) 1.00 FTE Police Services Technician reclassified as one (1) 1.00 FTE Lead Police Services Technician in the General Fund.

b. **2024-25:**

i. Previously Funded & Unauthorized Positions:

- Seven (7) 1.00 FTE Police Officer, and one (1) 1.00 FTE Investigative Specialist I/II that were previously authorized but unfunded for the Police Department will be funded in FY 2024-25 in the General Fund.

ii. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**

- One (1) 1.00 FTE Organization/Enterprise Leader (Safety) will be reclassified to serve at an Assistant Chief of Police level position and the Crime Analyst classification will be converted to a Crime Analyst I/II flex series. The budget for one (1) Reserve Police Officer Level 1 (limited service) and one (1) Reserve Police Officer (limited service) is eliminated (exchange is budget neutral).
- A Digital Forensics Examiner flex series will be created for the Police Department.

(9) **Public Works:** 3.00 FTE increase in FY 2024-25 reflects the following:

a. **2023-24 Reclassifications:**

i. One (1) 1.00 FTE Senior Civil Engineer reclassified as one 1.00 FTE Principal Civil Engineer and one (1) 1.00 FTE Secretary reclassed as one (1) 1.00 FTE Administrative Assistant (Funding split between General Fund and Measure A 85%/15%) for the Public Works Department.

ii. One (1) 1.00 FTE Equipment Mechanic II reclassified as one (1) 1.00 FTE Heavy Equipment Mechanic in the Fleet Services Fund.

b. **2024-25:**

i. **Supplemental Budget Requests – Additions:**

- One (1) 1.00 FTE Public Works Operations Manager, one (1) 1.00 FTE Account Clerk I/II, one (1) 1.00 FTE Maintenance Worker I/II, and one (1) Intern – Profession (limited service) serving as a GIS Intern are added in the Measure A Fund.

ii. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**

- One (1) 1.00 FTE Principal Civil Engineer is reclassified as one (1) 1.00 FTE Organization/Enterprise Leader (Non-Safety) to serve at the City Engineer/Deputy Director Public Works level in the General Fund.
- Two (2) 1.00 FTE Public Works Technician I are reclassified as two (2) 1.00 FTE Engineering Technician II, and one (1) 1.00 FTE Engineer III is reclassified as one (1) 1.00 FTE Senior Civil Engineer, in the General Fund (exchange is budget neutral).

(10) **Utilities:** 8.20 FTE increase in FY 2024-25 reflects the following:

a. **Second Quarter 2023-24 Budget Amendment:**

i. One (1) 1.00 FTE Administrative Leader, one (1) 1.00 FTE Wastewater Supervisor, and one (1) 1.00 FTE Water Resources Manager were added for the Utilities Department.

b. **2023-24 Reclassifications:**

i. Two (2) 1.00 FTE Customer Service Clerk reclassed as two (2) 1.00 FTE Finance Clerk.

ii. One (1) 1.00 FTE Business Program Leader was reclassed as one (1) 1.00 FTE Regulatory Compliance Manager.

iii. One (1) part-time 0.80 FTE Staff Assistant reclassified as one (1) 1.00 FTE full-time Office Assistant I

c. **2024-25:**

i. **Supplemental Budget Requests – Additions:**

- One (1) 1.00 FTE Organization/Enterprise Leader (Non-Safety) serving as a Deputy Director – Administration, one (1) 1.00 FTE Electrical & Instrumentation Technician, one 1.00 FTE (1) Program Leader, one (1) 1.00 FTE Utilities Outreach Specialist, and one (1) 1.00 FTE Regulatory Compliance Specialist II are added for the Utilities Department.

ii. **Supplemental Budget Requests – Reclassifications/Funding Reallocation:**

- One (1) 1.00 FTE Senior Civil Engineer is reclassified as one (1) 1.00 FTE Principal Civil engineer for the Utilities Department.

PERSONNEL DETAIL BY DEPARTMENT

The following Personnel Detail lists all budgeted positions for each department, identifies the change from the FY 2023-24 adopted budget, and provides annotations for the changes. Three classifications of position type are segregated in the Personnel Detail:

1. Full-Time
2. Part-Time
3. Limited Service

Limited-Service positions are considered pooled positions. The FTE value listed for these positions reflects the FTE equivalent of the allocated budget amount; the actual FTE hired may vary from the FTE listed in the Personnel Detail. City departments are required to adhere to the total amount budgeted for the pool but are not required to adhere to the FTE allocation.

PERSONNEL DETAIL PAGE REFERENCES

City Attorney's Office 183
City Manager's Office 184
Community Development Department 187
Finance Department 187
Fire Department 191
Library Department 191
Police Department 193
Public Works Department 195
Recreation and Parks Department 198
Utilities Department 201
Measure U Positions by Department 204

CITY ATTORNEY'S OFFICE							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
003-010 – City Attorney							
ADLA	Administrative Leader	-	1.00	1.00	1.00	-	
BP1A	Business Program Leader I	1.00	-	(1.00)	-	-	
CO2A	Confidential Office Clerk II	1.00	-	(1.00)	-	-	(2)
CLCA	Corporate/Executive Leader (Non-Safety)	1.00	1.00	-	1.00	-	
LOSA	Legal Office Specialist	1.00	1.00	1.00	1.00	-	(2)
OLCA	Organization/Enterprise Leader (Non-Safety)	2.00	3.00	1.00	3.00	-	(1)
Full-Time Total		5.00	6.00	1.00	6.00	-	
003-010 – City Attorney Total		**5.00**	**6.00**	**1.00**	**6.00**	**-**	
014-043 – Risk Management							
BULI	Business Leader	-	1.00	1.00	1.00	-	(4)
CT1M, CT1R	Confidential Technician I/II	-	2.00	2.00	2.00	-	(1), (4)
PRLI	Program Leader	-	1.00	1.00	1.00	-	(3), (4)
Full-Time Total		-	4.00	4.00	4.00	-	
014-043 – Risk Management Total		**-**	**4.00**	**4.00**	**4.00**	**-**	
Total Budgeted FTE		**5.00**	**10.00**	**5.00**	**10.00**	**-**	

City Attorney's Office: 5.00 FTE increase in FY 2024-25 reflects the following:

(1) **Second Quarter 2023-24 Budget Amendment:** One (1) 1.00 FTE Organization/Enterprise Leader (Non-Safety) serving as an Assistant City Attorney/City Prosecutor was added in the General Fund. One (1) 1.00 FTE Confidential Technician II was added for the Risk Management Division in the Insurance Funds.

(2) **2023-24 Reclassification:**

a. One (1) 1.00 FTE Confidential Office Clerk was reclassified as one (1) 1.00 FTE Legal Office Specialist-Confidential in the General Fund.

(3) **Supplemental Budget Request – Additions:**

a. One (1) 1.00 FTE Program Leader (Assistant Risk Manager) was added for the Risk Management Division in the Insurance Funds.

(4) **Supplemental Budget Requests – Reallocations:**

a. Oversight of the Risk Management Division, including one (1) 1.00 FTE Business Leader and one (1) 1.00 FTE Confidential Technician I/II, was transferred from the City Manager's Office to the City Attorney's Office within the Insurance Funds.

CITY MANAGER'S OFFICE							
Job Code and Position Title		**Adopted FY 2023-24**	**Adopted FY 2024-25**	**Change**	**Adopted FY 2025-26**	**Change**	**Note**
004-010, 020 & 030, 005-040 & 042, 014-023 – Administration, Human Resources, Records/City Clerk, Information Technology, Communications							
ADLC, ADLH, ADLM	Administrative Leader	-	6.00	6.00	6.00	-	(1)
BULC, BULH, BULX	Business Leader	-	5.00	5.00	5.00	-	
BPLX	Business Program Leader	3.00	-	(3.00)	-	-	
BP1C, BP1H	Business Program Leader I	3.00	-	(3.00)	-	-	
BP2C, BP2H	Business Program Leader II	3.91	-	(3.91)	-	-	
BP3H	Business Program Leader III	2.00	-	(2.00)	-	-	
CCDC	Chief Deputy City Clerk	1.00	1.00	-	1.00	-	
CMRM	City Manager	1.00	1.00	-	1.00	-	
CSYS	Confidential Secretary	1.00	1.00	-	1.00	-	
CT1H, CT1M CT2M, CT2H	Confidential Technician I/II	3.00	6.00	3.00	6.00	-	(1), (4)
CLCM	Corporate/Executive Leader (Non-Safety	2.66	3.00	0.34	3.00	-	(5)
DCCC	Deputy City Clerk	1.00	1.00	-	1.00	-	
GISA	GIS Analyst	-	1.00	1.00	1.00	-	(2)
GS2M	GIS Technician II	1.00	-	(1.00)	-	-	(2)
PRLC, PRLH, PRLX	Program Leader	-	5.91	5.91	5.91	-	(1), (4), (5)
SPMM	Senior Project Manager	1.00	2.00	1.00	2.00	-	(1)
SHP1	SharePoint Developer	1.00	1.00	-	1.00	-	
SSA1, SSA2	Systems Analyst I/II	8.00	6.00	(2.00)	6.00	-	(2), (5)
SSAS	Senior Systems Analyst	-	2.00	2.00	2.00	-	(2), (5)
Full-Time Total		32.57	41.91	9.34	41.91	-	
ZCOM	Community Outreach Coordinator	0.80	0.80	-	0.80	-	
Part-Time Total		0.80	0.80	-	0.80	-	
YC1M	Consultant I	0.48	0.48	-	0.48	-	
	City Clerk – Elected	0.48	0.48	-	0.48	-	
Limited-Service Total		33.37	0.96	-	0.96	-	
004-010, 020 & 030, 005-040 & 042 – Administration, Human Resources, Records/City Clerk, Information Technology, Communications Total		**33.37**	**42.71**	**9.34**	**42.71**	**-**	
004-041 – SM Community TV							
BP2C	Business Program Leader II	0.09	-	(0.09)	-	-	

CITY MANAGER'S OFFICE							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
PRLC	Program Leader	-	0.09	0.09	0.09	-	
Full-Time Total		0.09	0.09	-	0.09	-	
YT2A	Technical Aide II	0.48	0.48	-	0.48	-	
Limited-Service Total		0.48	0.48	-	0.48	-	
004-041 – SM Community TV Total		**0.09**	**0.09**	**-**	**0.09**	**-**	
004-092 – Measure U							
PEGM	PEG Production Manager	1.00	1.00	-	1.00	-	
Full-Time Total		1.00	1.00	-	1.00	-	
004-092 – Measure U Total		**1.00**	**1.00**	**-**	**1.00**	**-**	
014-043 - Risk Management							
BP1H	Business Program Leader I	1.00	-	(1.00)	-	-	(5)
BP3H	Business Program Leader III	1.00	-	(1.00)	-	-	(5)
CT2M	Confidential Technician II	1.00	-	(1.00)	-	-	(5)
CLCM	Corporate/Executive Leader (Non-Safety)	0.34	-	(0.34)	-	-	(5)
Full-Time Total		3.34	-	(3.34)	-	-	
014-043 – Risk Management Total		**3.34**	**-**	**(3.34)**	**-**	**-**	
Total Budgeted FTE		**37.80**	**43.80**	**6.00**	**43.80**	**-**	

City Manager's Office: 6.00 FTE increase in FY 2024-25 reflects the following:

(1) **Enterprise Resource Planning System Project Implementation (March 2024 Budget Amendment):** Two (2) 1.00 FTE Admin Leader and one (1) 1.00 FTE Confidential Technician I/II were added to the Human Resources Division and one (1) 1.00 FTE Senior Project Manager was added to the Information Technology Division.

(2) **2023-24 Reclassifications:**

a. One (1) 1.00 FTE GIS Technician II was reclassified as one (1) 1.00 FTE GIS Analyst in the General Fund.

b. One (1) 1.00 FTE Systems Analyst II was reclassified as one (1) 1.00 FTE Senior Systems Analyst in the Radio Technology Fund.

(3) **2024-25 Previously Authorized & Unfunded Positions:**

a. One (1) 1.00 FTE Administrative Leader that was previously authorized and unfunded for the City Clerk/Records Division will be funded in FY 2024-25 in the General Fund.

(4) **2024-25 Supplemental Budget Request – Additions:**

a. One (1) 1.00 FTE Confidential Technician I is added for the Information Technology Division.

b. One (1) 1.00 FTE Confidential Technician I/II and one (1) 1.00 FTE Program Leader are added to the Human Resources Division.

(5) **Supplemental Budget Requests – Reclassifications/Reallocations:**

a. One (1) 1.00 FTE Program Leader is reallocated for the Human Resources Division of the City Manager's Office to the General Fund from the Insurance Funds and reflects current organization structure.

b. Oversight of the Risk Management Division, including one (1) 1.00 FTE Business Leader and one (1) 1.00 FTE Confidential Technician I/II, was transferred from the City Manager's Office to the City Attorney's Office within the Insurance Funds.

c. One (1) 1.00 FTE Systems Analyst II is reclassified as one (1) 1.00 FTE Senior Systems Analyst for the Information Technology Division.

d. Partial funding for two (2) Corporate/Executive Leader (Non-Safety) positions (0.34 FTE) was reallocated to the City Manager's Office in the General Fund.

COMMUNITY DEVELOPMENT							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
006-020 – Planning							
ADAR	Administrative Assistant	1.00	1.00	-	1.00	-	
ADLD	Administrative Leader	-	1.00	1.00	1.00	-	
PL1A	Assistant Planner	1.00	1.00	-	1.00	-	
PL1D	Associate Planner	1.00	1.00	-	1.00	-	
BP1D	Business Program Leader I	1.00	-	(1.00)	-	-	
CLCD	Corporate/Executive Leader (Non-Safety)	1.00	1.00	-	1.00	-	
DPDM	Planning Division Manager	1.00	1.00	-	1.00	-	
PPLD	Principal Planner	1.00	1.00	-	1.00	-	
PL3D	Senior Planner	2.00	2.00	-	2.00	-	
Full-Time Total		9.00	9.00	-	9.00	-	
YACD	Assistant Clerk – Office	0.48	0.48	-	0.48	-	
YTPD	Temporary Planner	0.96	0.96	-	0.96	-	
Limited-Service Total		1.44	1.44	-	1.44	-	
006-020 – Planning		**9.00**	**9.00**	**-**	**9.00**	**-**	
006-030 – Building							
DBDM	Building Division Manager	1.00	1.00	-	1.00	-	
BI1D, BI2D	Building Inspector I/II	4.00	4.00	-	4.00	-	
BPTD, BP2D	Building Permit Technician I/II	3.00	3.00	-	3.00	-	
CBID	Chief Building Inspector	1.00	1.00	-	1.00	-	
DBOB	Deputy Building Official	-	1.00	1.00	1.00	-	(1)
PCED	Plan Check Engineer	1.00	1.00	-	1.00	-	
PESD	Plans Examiner	2.00	2.00	-	2.00	-	
SBPD	Sr Building Permit Technician	1.00	1.00	-	1.00	-	
Full-Time Total		13.00	14.00	-	14.00	-	
006-030 – Building		**13.00**	**14.00**	**1.00**	**14.00**	**-**	
006-040 – Community Programs							
GS2C	Grants Specialist II	1.00	1.00	-	1.00	-	
HCSM	Housing & Community Services Manager	1.00	1.00	-	1.00	-	
HCDT	Housing & Community Services Technician	1.00	1.00	-	1.00	-	
Full-Time Total		3.00	3.00	-	3.00	-	
006-040 – Community Programs Total		**3.00**	**3.00**	**-**	**3.00**	**-**	
006-041 – Code Enforcement							
CE1A, CE2A	Code Enforcement Officer I/II	0.00	1.00	1.00	1.00	-	(2)
Full-Time Total		0.00	1.00	1.00	1.00	-	
006-041 - Code Enforcement Total		**0.00**	**1.00**	**1.00**	**1.00**	**-**	
006-092 – Measure U							
CE1A, CE2A	Code Enforcement Officer I/II	4.00	3.00	(1.00)	3.00	-	(2)
CESA	Code Enforcement Supervisor	1.00	1.00	-	1.00	-	

COMMUNITY DEVELOPMENT							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
CETA	Code Enforcement Technician	1.00	1.00	-	1.00	-	
BP1C	Business Program Leader	1.00	-	(1.00)	-	-	
PRLD	Program Leader	-	1.00	1.00	1.00	-	
Full-Time Total		7.00	7.00	-	7.00	-	
006-092 – Measure U		**7.00**	**7.00**	**-**	**7.00**	**-**	
Total Budgeted FTE		**32.00**	**33.00**	**1.00**	**33.00**	**-**	

Community Development: 1.00 FTE increase in FY 2024-25 reflects the following:

(1) **Second Quarter 2023-24 Budget Amendment:**

a. One (1) 1.00 FTE Deputy Building Official was added in the General Fund.

(2) **Supplemental Budget Requests - Reclassifications/Reallocations:**

a. One (1) 1.00 FTE Code Enforcement Officer I/II position will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

FINANCE							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
005-010 – Administrative Services							
CLFS	Corporate/Executive Leader (Non-Safety)	1.00	1.00	-	1.00	-	
OLFS	Organization/Enterprise Leader (Non-Safety)	1.00	1.00	-	1.00	-	
SCMM	Secretary	1.00	1.00	-	1.00	-	
Full-Time Total		3.00	3.00	-	3.00	-	
005-010 – Administrative Services Total		**3.00**	**3.00**	**-**	**3.00**	**-**	
005-020 – Finance							
AC1S, AC2S	Accounting Technician I/II	3.00	4.00	1.00	4.00	-	(1)
AC3S	Accounting Technician III	1.00	1.00	-	1.00	-	
BULB	Business Leader	-	2.00	2.00	2.00	-	
BP2B	Business Program Leader II	4.00	-	(4.00)	-	-	
BP3B	Business Program Leader III	1.00	-	(1.00)	-	-	
CT1B	Confidential Technician I	-	3.00	3.00	3.00	-	(1), (3)
CT3B	Confidential Technician III	1.00	1.00	-	1.00	-	
FC1S, FC2S	Finance Clerk I/II	4.00	5.00	1.00	5.00	-	
PRLB	Program Leader	-	5.00	5.00	5.00	-	(1), (2), (3)
Full-Time Total		14.00	21.00	7.00	21.00	-	
ZACS	Account Clerk Aide	-	0.80	0.80	0.80	-	(4)
Part-Time Total		-	0.80	0.80	0.80	-	
005-020 – Finance Total		**14.00**	**21.80**	**7.80**	**21.80**	**-**	
005-030 – Utility Billing							
AC1S	Accounting Technician I	2.00	2.00	-	2.00	-	
BP2B	Business Program Leader II	1.00	-	(1.00)	-	-	
SCSC	Customer Service Clerk	2.00	-	(2.00)	-	-	(2)
FC1S, FC2S	Finance Clerk I/II	2.00	4.00	2.00	4.00		(1), (2)
PRLB	Program Leader	-	1.00	1.00	1.00	-	
Full-Time Total		7.00	7.00	0.00	7.00	-	
ZACS	Account Clerk Aide	0.80	-	(0.80)	-	-	(4)
Part-Time Total		0.80	-	(0.80)	-	-	
005-030 Utility Billing Total		**7.80**	**7.00**	**(0.80)**	**7.00**	**-**	
Total Budgeted FTE		**24.80**	**31.80**	**7.00**	**31.80**	**-**	

Finance: 7.00 FTE increase in FY 2024-25 reflects the following:

(1) **Enterprise Resource Planning System Project Implementation (March 2024 Budget Amendment):**

a. One (1) 1.00 FTE Program Leader, one (1) 1.00 FTE Confidential Technician I/II, one (1) 1.00 FTE Accounting Technician I/II, and three (3) 1.00 FTE Finance Clerk I/II were added in the General Fund.

(2) **2023-24 Reclassifications:**

a. Two (2) 1.00 FTE Finance Clerk I/II were reclassified as two (2) 1.00 FTE Business Program Leader in the General Fund.

b. Two (2) 1.00 FTE Customer Service Clerk were reclassified as two (2) 1.00 FTE Finance Clerk I/II in the Enterprise Funds.

(3) **Supplemental Budget Request – Additions:**

a. One (1) 1.00 FTE Program Leader is eliminated in exchange for two (2) 1.00 FTE Confidential Technician I/II positions in the General Fund (exchange is budget neutral).

(4) **Supplemental Budget Requests – Reallocations:**

a. One (1) 0.80 FTE Account Clerk Aide is reallocated from the Utility Billing Division (Enterprise Funds) to the Revenue Division (General Fund) within the Finance Department to reflect current organization structure.

FIRE							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
009-020, 030 – Administration, Operations, Prevention & Reimbursable							
ADAF	Administrative Assistant	-	1.00	1.00	1.00	-	(2)
BP1F	Business Program Leader I	1.00	-	(1.00)	-	-	
CLFD	Corporate/Executive Leader (Safety)	1.00	1.00	-	1.00	-	
FBCF	Fire Battalion Chief	2.00	2.00	-	2.00	-	
FCNF	Fire Captain	9.00	10.00	1.00	10.00	-	(1), (3)
FERF	Fire Engineer	12.00	14.00	2.00	14.00	-	(1), (3)
FFRF	Fire Fighter	2.00	6.00	4.00	6.00	-	(1), (3)
FIMF	Fire Marshall	1.00	1.00	-	1.00	-	
F02F	Fire Prevention Officer II	1.00	1.00	-	1.00	-	
PRLF	Program Leader	-	1.00	1.00	1.00	-	
SECF	Secretary	1.00	-	(1.00)	-	-	(2)
Full-Time Total		30.00	37.00	7.00	37.00	-	
YC1F	Consultant I	0.48	0.48	-	0.48	-	
Limited-Service Total		0.48	0.48	-	0.48	-	
009-020, 030 – Administration, Operations, Prevention & Reimbursable Total		**30.00**	**37.00**	**7.00**	**37.00**	**-**	
009-090 – Measure U							
ADLF	Administrative Leader	-	2.00	2.00	2.00	-	
BP1F	Business Program Leader I	1.00	-	(1.00)	-	-	
BP1H	Business Program Leader I	1.00	-	(1.00)	-	-	
DFCF	Deputy Fire Chief	1.00	1.00	-	1.00	-	
FBCF	Fire Battalion Chief	2.00	2.00	-	2.00	-	
FCNF	Fire Captain	10.00	12.00	2.00	12.00	-	(1), (3)
FERF	Fire Engineer	9.00	10.00	1.00	10.00	-	(1), (3)
FFRF	Fire Fighter	19.00	18.00	(1.00)	18.00	-	
FIIF	Fire Inspector I	2.00	2.00	-	2.00	-	
F02F	Fire Prevention Officer II	1.00	1.00	-	1.00	-	
OA1F	Office Assistant I	1.00	1.00	-	1.00	-	
Full-Time Total		47.00	49.00	2.00	49.00	-	
ZCEF	Emergency Services Specialist	0.80	0.80	-	0.80	-	
Part-Time Total		0.80	0.80	-	0.80	-	
009-090 – Measure U Total		**47.80**	**51.80**	**4.00**	**51.80**	**-**	
Total Budgeted FTE		**77.80**	**86.80**	**9.00**	**86.80**	**-**	

Fire: 9.00 FTE increase in FY 2024-25 reflects the following:

(1) **Second Quarter 2023-24 Budget Amendment:**
   a. One (1) 1.00 FTE Fire Fighter, one (1) 1.00 FTE Fire Captain, and one (1) 1.00 FTE Fire Engineer were added for the Fire Department in the General Fund.
   b. Two (2) 1.00 FTE Fire Fighters, two (2) 1.00 FTE Fire Captains, and two (2) 1.00 FTE Fire Engineers that were previously authorized but unfunded were funded for FY 2023-24 in the General Fund.

(2) **2023-24 Reclassifications:** One (1) 1.00 FTE Secretary was reclassified as one (1) 1.00 FTE Administrative Assistant.

(3) **2024-25 Supplemental Budget Request - Reallocation:** One (1) 1.00 FTE Fire Engineer and one (1) 1.00 FTE Fire Fighter position will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

LIBRARY							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
007-020, 030, 040, 050, 060 – Branches							
ADAL	Administrative Assistant	-	1.00	1.00	1.00	-	(1)
BP1L	Business Program Leader I	1.00	-	(1.00)	-	-	
CLLB	Corporate/Executive Leader (Non-Safety)	1.00	1.00	-	1.00	-	
GTLB	Graphics Technician	-	1.00	1.00	1.00	-	(1)
LI1L	Librarian I	3.00	3.00	-	3.00	-	
LI2L	Librarian II	2.00	3.00	1.00	3.00	-	(1)
LI3L	Librarian III	2.00	2.00	-	2.00	-	
LITL	Library Technician	3.00	3.00	-	3.00	-	
PRLL	Program Leader	-	1.00	1.00	1.00	-	
SCYL	Secretary	1.00	-	(1.00)	-	-	(1)
Full-Time Total		13.00	15.00	2.00	15.00	-	
ZC2L	Clerk II	4.80	4.80	(1.60)	4.80	-	
ZGTL	Graphics Technician	0.80	-	(0.80)	-	-	(1)
Part-Time Total		5.60	4.80	(0.80)	4.80	-	
YLTL	Assistant Library Technician	9.12	9.60	0.48	9.60	-	
Limited-Service Total		9.12	9.60	0.48	9.60	-	
007-020, 030, 040, 050, 060 - Branches		**18.60**	**19.80**	**1.20**	**19.80**	**-**	
007-090, 091, 092 – Measure U							
LI1L	Librarian I	1.00	1.00	-	1.00	-	
LI2L	Librarian II	1.00	0.00	(1.00)	0.00	-	(1)
LLCC	Library Clerk	1.00	1.00	-	1.00	-	
Full-Time Total		3.00	2.00	(1.00)	2.00	-	
ZC2L	Clerk II	1.60	1.60	-	1.60	-	
ZLTL	Library Technical Assistant	2.40	2.40	-	2.40	-	
YSEO	Security Officer	1.60	1.60	-	1.60	-	
Part-Time Total		5.60	5.60	-	5.60	-	
YLTL	Assistant Library Technician	3.84	2.40	(1.44)	2.40	-	
Limited-Service Total		3.84	2.40	(1.44)	2.40	-	(1)
007-090, 091, 092 – Measure U		**8.60**	**7.60**	**(1.00)**	**7.60**	**-**	
Total Budgeted FTE		**27.20**	**27.40**	**0.20**	**27.40**	**-**	

Library: 0.20 FTE increase in FY 2024-25 reflects the following:

(1) **Supplemental Budget Requests – Reclassifications:**
   a. One (1) 1.00 FTE Secretary is reclassified as one (1) 1.00 FTE Administrative Assistant. The budget for one (1) Assistant Library Technician (limited service) was eliminated (exchange is budget neutral).
   b. One (1) part-time 0.80 FTE Graphics Technician is converted to one (1) full-time 1.0 FTE Graphics Technician. The budget for one (1) Assistant Library Technician (limited service) was eliminated (exchange is budget neutral).
   c. One (1) 1.00 FTE Librarian II position will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

POLICE							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
010-010, 020, 022, 023, 030, 035 – Administration, Operations, & Support							
AC2P	Account Clerk II	1.00	-	(1.00)	-	-	(2)
ADAP	Administrative Assistant	1.00	2.00	1.00	2.00	-	(2)
BP1P	Business Program Leader I	2.00	-	(2.00)	-	-	
BSAM	Business Systems Analyst	1.00	1.00	-	1.00	-	
CLPD	Corporate/Executive Leader (Safety)	1.00	1.00	-	1.00	-	
CANP	Crime Analyst	1.00					(3)
CESP	Crime Lab & Evidence Supervisor	1.00	1.00	-	1.00	-	
CT1P, CT2P	Criminalistics Technician I/II	4.00	4.00	-	4.00	-	
DFE1	Digital Forensics Examiner	0.00	1.00	1.00	1.00	-	(3)
DI1P, DI2P	Dispatcher I/II	13.00	13.00	-	13.00	-	
INSP	Investigative Specialist I/II	0.00	1.00	-	1.00	-	(1)
LPTP	Lead Police Services Technician	-	1.00	1.00	1.00	-	(2)
OA2P	Office Assistant II	2.00	2.00	-	2.00	-	
OLPD	Organization/Enterprise Leader (Safety)	2.00	2.00	-	2.00	-	(3)
PCLP	Police Corporal	2.00	2.00	-	2.00	-	
PLTP	Police Lieutenant	4.00	4.00	-	4.00	-	
PORP	Police Officer	74.00	75.00	1.00	75.00	-	(1)
PRSP	Police Records Supervisor	1.00	1.00	-	1.00	-	
PTDP	Police Records Tech-Detectives	1.00	1.00	-	1.00	-	
PT1P, PT2P	Police Records Technician I/II	8.00	8.00	-	8.00	-	
PSGP	Police Sergeant	10.00	10.00	-	10.00	-	
PSTP	Police Services Technician	6.00	5.00	(1.00)	5.00	-	
PRLP	Program Leader	-	2.00	2.00	2.00	-	
PECP	Property-Evidence Clerk	2.00	2.00	-	2.00	-	
PSDI	Senior Dispatcher	4.00	4.00	-	4.00	-	
SRTP	Senior Police Records Tech	3.00	3.00	-	3.00	-	
Full-Time Total		144.00	146.00	2.00	146.00	-	
YCDP	Certified Dispatch Aid	0.48	0.48	-	0.48	-	
YPCD	Police Cadet	0.96	-	(0.96)	-	-	
POFP	Provisional Officer	1.20	1.20	-	1.20	-	
XP1P, XP2P	Reserve Police Officer Level I/II	0.96	-	(0.96)	-	-	(3)
Limited-Service Total		3.60	1.68	(1.92)	1.68	-	
010-010, 020, 022, 023, 030, 035 – Administration, Operations, & Support Total		**144.00**	**146.00**	**2.00**	**146.00**	**-**	
010-090 – Measure U							
BP1P	Business Program Leader I	1.00	-	(1.00)	-	-	
BP1P	Business Program Leader I	1.00	-	(1.00)	-	-	

POLICE							
Job Code	**and Position Title**	**Adopted FY 2023-24**	**Adopted FY 2024-25**	**Change**	**Adopted FY 2025-26**	**Change**	**Note**
CANP	Crime Analyst	1.00	-	(1.00)	-	-	
CAN1, CAN2	Crime Analyst I/II	-	1.00	1.00	1.00	-	(3)
DI1P, DI2P	Dispatcher I/II	3.00	3.00	-	3.00	-	
INSP	Investigative Specialist I/II	1.00	1.00	-	1.00	-	
OLPD	Organization/Enterprise Leader (Safety)	1.00	1.00	-	1.00	-	
PCLP	Police Corporal	9.00	9.00	-	9.00	-	
PLTP	Police Lieutenant	1.00	1.00	-	1.00	-	
PORP	Police Officer	21.00	27.00	6.00	27.00	-	(1)
PSGP	Police Sergeant	8.00	8.00	-	8.00	-	
PSTP	Police Services Technician	1.00	1.00	-	1.00	-	
PRLP	Program Leader	-	1.00	1.00	1.00	-	
PECP	Property-Evidence Clerk	1.00	1.00	-	1.00	-	
Full-Time Total		48.00	54.00	6.00	54.00	-r	
YPCD	Police Cadet	0.96	0.96	-	0.96	-	
Limited-Service Total		0.96	0.96	-	0.96	-	
010-090 – Measure U Total		**48.00**	**55.00**	**6.00**	**55.00**	**-**	
Total Budgeted FTE		**192.00**	**200.00**	**8.00**	**200.00**	**-**	

Police: 8.00 FTE increase in FY 2024-25 reflects the following:

(1) **Previously Authorized & Unfunded Positions:** Seven (7) 1.00 FTE Police Officer, and one (1) 1.00 FTE Investigative Specialist I/II that were previously authorized but unfunded for the Police Department will be funded in FY 2024-25 in the General Fund.

(2) **2023-24 Reclassifications:**

a. One (1) 1.00 FTE Account Clerk II reclassified as one (1) 1.00 FTE Administrative Assistant and one (1) 1.00 FTE Police Services Technician reclassified as one (1) 1.00 FTE Lead Police Services Technician in the General Fund.

(3) **Supplemental Budget Requests – Reclassifications:**

a. One (1) 1.00 FTE Organization/Enterprise Leader (Safety) will be reclassified to serve at an Assistant Chief of Police level position and the Crime Analyst classification will be converted to a Crime Analyst I/II flex series. The budget for one (1) Reserve Police Officer Level 1 (limited service) and one (1) Reserve Police Officer (limited service) is eliminated (exchange is budget neutral).

b. A Digital Forensics Examiner flex series will be created for the Police Department.

PUBLIC WORKS							
Job Code and Position Title		**Adopted FY 2023-24**	**Adopted FY 2024-25**	**Change**	**Adopted FY 2025-26**	**Change**	**Note**
011-010, 020, 030 – Engineering & Facilities Maintenance							
ADAW	Administrative Assistant	-	0.85	0.85	0.85	-	(1)
ADLW	Administrative Leader	-	1.00	1.00	1.00	-	
BP1W	Business Program Leader I	2.00	-	(2.00)	-	-	
CWIW	Chief Public Works Inspector	1.00	1.00	-	1.00	-	
CLPW	Corporate/Executive Leader (Non-Safety)	1.00	1.00	-	1.00	-	
CLSW	Crew Leader-Maint Specialist	3.00	3.00	-	3.00	-	
EN3W	Engineer III	3.00	1.00	(2.00)	1.00	-	(1)
ENT2	Engineering Technician II	-	2.00	2.00	2.00	-	(3)
FSPW	Facilities Supervisor	1.00	1.00	-	1.00	-	
MW1W, MW2W	Maintenance Worker I/II	6.00	6.00	-	6.00	-	
OLPW	Organization/Enterprise Leader (Non-Safety)	-	1.00	1.00	1.00	-	(3)
PCEW	Principal Civil Engineer	2.00	2.00	-	2.00	-	(1), (3)
PRLW	Program Leader	-	1.00	1.00	1.00	-	
PWIW	Public Works Inspector	2.00	2.00	-	2.00	-	
PT1W	Public Works Technician I	2.00	-	(2.00)	-	-	I3)
SCYW	Secretary	1.85	1.00	(0.85)	1.00	-	(1)
SCEW	Senior Civil Engineer	2.00	2.00	-	2.00	-	(1)
SCMW, WSCM	Senior Crew Leader-Maint Spec	2.00	2.00	-	2.00	-	
SMPW	Senior Project Manager	-	1.00	1.00	1.00	-	(1)
Full-Time Total		28.85	28.85	-	28.85	-	
ZL3W	Laborer III	0.80	0.80	-	0.80	-	
Part-Time Total		0.80	0.80	-	0.80	-	
YACW	Assistant Clerk – Office	0.48	0.48	-	0.48	-	
YINW	Intern – Profession	0.48	0.48	-	0.48	-	
Limited-Service Total		0.96	0.96	-	0.96	-	
011-010, 020, 030 – Engineering & Facilities Maintenance Total		**29.65**	**29.65**	**-**	**29.65**	**-**	
014-010 – Fleet Services							
ACIW, AC2W	Account Clerk I/II	1.00	1.00	-	1.00	-	
ASWW	Automotive Service Writer	1.00	1.00	-	1.00	-	
EM1W, EM2W	Equipment Mechanic I/II	3.00	2.00	(1.00)	2.00	-	(1)
FDMW	Field Mechanic	3.00	3.00	-	3.00	-	
FSSU	Fleet Services Supervisor	1.00	1.00	-	1.00	-	
HEMW	Heavy Equipment Mechanic	1.00	2.00	1.00	2.00	-	(1)
LDMW	Lead Mechanic	2.00	2.00	-	2.00	-	
MW1W, MW2W	Maintenance Worker I/II	2.00	2.00	-	2.00	-	
Full-Time Total		14.00	14.00	-	14.00	-	
YGLU	General Laborer	0.48	0.48	-	0.48	-	

PUBLIC WORKS							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
Limited-Service Total		0.48	0.48	-	0.48	-	
014-010 – Fleet Services Total		**14.00**	**14.00**	**-**	**14.00**	**-**	
011-041 – Street Maintenance							
ACIW, AC2W	Account Clerk I/II	1.00	2.00	1.00	2.00	-	(2)
ADAW	Administrative Assistant	-	0.15	0.15	0.15	-	
CLSW	Crew Leader-Maint Specialist	1.00	1.00	-	1.00	-	
ELEC	Electrician I	1.00	1.00	-	1.00	-	
MW1W, MW2W	Maintenance Worker I/II	12.00	13.00	1.00	13.00	-	(2)
PCEW	Principal Civil Engineer	1.00	1.00	-	1.00	-	
PWMW	Public Works Operations Manager	-	1.00	1.00	1.00	-	(2)
SCYW	Secretary	0.15	-	(0.15)	-	-	
SCMW, WSCM	Senior Crew Leader-Maint Spec	3.00	3.00	-	3.00	-	
STSW	Senior Traffic Signal Tech	1.00	1.00	-	1.00	-	
SMSW	Street Maint Supervisor	2.00	2.00	-	2.00	-	
TSTW	Traffic Signal Technician	1.00	1.00	-	1.00	-	r
Full-Time Total		23.15	26.15	3.00	26.15	-	
YINW	Intern – Profession	-	0.48	0.48	0.48	-	(2)
YSLW	Skilled Laborer	0.48	0.48	-	0.48	-	
Limited-Service Total		0.48	0.96	0.48	0.96	-	
011-041 – Street Maintenance Total		**23.15**	**26.15**	**3.00**	**26.15**	**-**	
011-070 – Public Transit							
ADLW	Administrative Leader	-	1.00	1.00	1.00	-	
BP1W	Business Program Leader I	1.00	-	(1.00)	-	-	
TRTW	Transit Assistant	1.00	1.00	-	1.00	-	
TRCW	Transit Coordinator	1.00	1.00	-	1.00	-	
TRPW	Transit Planner	1.00	1.00	-	1.00	-	
TRAW	Transit Services Manager	1.00	1.00	-	1.00	-	
Full-Time Total		5.00	5.00	-	5.00	-	
011-070 – Public Transit Total		**5.00**	**5.00**	**-**	**5.00**	**-**	
Total Budgeted FTE		**71.80**	**74.80**	**3.00**	**74.80**	**-**	

Public Works: 3.00 FTE increase in FY 2024-25 reflects the following:

(1) **2023-24 Reclassifications:**

a. One (1) 1.00 FTE Senior Civil Engineer reclassified as one (1) 1.00 FTE Principal Civil Engineer and one (1) 1.00 FTE Secretary reclassed as one (1) 1.00 FTE Administrative Assistant (Funding split between General Fund and Measure A 85%/15%) for the Public Works Department.

b. One (1) 1.00 FTE Equipment Mechanic II reclassified as one (1) 1.00 FTE Heavy Equipment Mechanic in the Fleet Services Fund.

(2) **Supplemental Budget Request – Additions:**

a. One (1) 1.00 FTE Public Works Operations Manager, one (1) 1.00 FTE Account Clerk I/II, one (1) 1.00 FTE Maintenance Worker I/II, and one (1) Intern – Profession (limited service) serving as a GIS Intern are added in the Measure A Fund.

(3) **Supplemental Budget Requests – Reclassifications:**

a. One (1) 1.00 FTE Principal Civil Engineer is reclassified as one (1) 1.00 FTE Organization/Enterprise Leader (Non-Safety) to serve at the City Engineer/Deputy Director Public Works level in the General Fund.

b. Two (2) 1.00 FTE Public Works Technician I are reclassified as two (2) 1.00 FTE Engineering Technician II, and one (1) 1.00 FTE Engineer III is reclassified as one (1) 1.00 FTE Senior Civil Engineer, in the General Fund (exchange is budget neutral).

RECREATION & PARKS							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
008-010, 015, 021, 022, 025, 030, 040, 090, 091, 092 – Administration, Recreation, Facilities & Parks							
AC1R	Account Clerk I	-	1.00	1.00	1.00	-	(5)
ADAR	Administrative Assistant	1.00	1.00	-	1.00	-	
ADRP	Assistant Director: Recreation & Parks	-	1.00	1.00	1.00	-	(1)
BULR	Business Leader	-	2.00	2.00	2.00	-	
BP1R	Business Program Leader I	1.00	-	(1.00)	-	-	
BP2R	Business Program Leader II	2.00	-	(2.00)	-	-	
CLRP	Corporate/Executive Leader (Non-Safety)	1.00	1.00	-	1.00	-	
GTRB	Graphics Technician	-	1.00	1.00	1.00	-	(5)
GR1R	Groundskeeper	3.00	-	(3.00)	-	-	(3)
MW1R, MW2R	Maintenance Worker I/II	7.00	17.00	10.00	17.00	-	(3)
OA2R	Office Assistant II	2.00	2.00	-	2.00	-	
OTCR	Outreach Coordinator	1.00	1.00	-	1.00	-	
PO1R	Park Service Officer	2.00	2.00	-	2.00	-	
PO2R	Park Services Officer II	5.00	5.00	-	5.00	-	
PO3R	Park Services Officer III	2.00	2.00	-	2.00	-	
RPFS	Parks & Forest Supervisor	1.00	1.00	-	1.00	-	
PRLR	Program Leader	-	1.00	1.00	1.00	-	
RCRR	Recreation Coordinator	4.00	6.00	2.00	6.00	-	(3), (5)
RSRR	Recreation Supervisor	4.00	4.00	-	4.00	-	
RRTT	Recreation Technician	4.00	2.00	(2.00)	2.00	-	(3)
WSCM	Senior Crew Leader-Maint Spec	3.00	5.00	2.00	5.00	-	(3)
SPSR	Senior Park Services Officer	-	1.00	1.00	1.00	-	(2)
Full-Time Total		43.00	56.00	13.00	56.00	-	
ZACR	Account Clerk Aide	0.80	0.80	-	0.80	-	
ZC2R	Clerk II	0.80	-	(0.80)	-	-	(5)
ZCOR	Community Outreach Coordinator	0.80	0.80	-	0.80	-	
ZS2R	Facility Specialist II	8.00	7.20	(0.80)	7.20	-	
ZS3R	Facility Specialist III	2.40	0.80	(1.60)	0.80	-	(3)
ZGTR	Graphics Technician	0.80	-	(0.80)	-	-	(5)
ZL3R	Laborer III	18.40	8.00	(10.40)	8.00	-	(3), (5)
ZRS1	Recreation Activity Specialist	4.00	4.00	-	4.00	-	
SECR	Security Guard	-	0.80	0.80	0.80	-	
ZSLR	Senior Lifeguard	2.40	1.60	(0.80)	1.60	-	(3)
ZSAR	Staff Assistant	0.80	-	(0.80)	-	-	(5)
Part-Time Total		39.20	24.00	(15.20)	24.00	-	
ASES	Aquatics Safety & Educational Spec	7.20	7.20	-	7.20	-	
YLGR	Lifeguard	10.56	10.56	-	10.56	-	
YR2R	Recreation Leader II	26.40	26.40	-	26.40	-	

RECREATION & PARKS							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
008-010, 015, 021, 022, 025, 030, 040, 090, 091, 092 – Administration, Recreation, Facilities & Parks							
YSER	Security Aide	1.44	-	(1.44)	-	-	(4)
YSCR	Swim Pool Clerk	2.40	2.40	-	2.40	-	
YTAR, YT2A, YT2M, YT2R	Technical Aide I/II	1.96	1.96	-	1.96	-	
YTA3	Technical Aide III	0.48	-	(0.48)	-	-	
Limited-Service Total		43.20	41.28	(1.92)	41.28	-	
008-010, 015, 021, 022, 025, 030, 040, 090, 091, 092 – Administration, Recreation, Facilities & Parks Total		**82.20**	**80.00**	**(2.20)**	**80.00**	**-**	
015-040 – Assessment Districts							
AC1R	Account Clerk I	-	1.00	1.00	1.00	-	(2)
GR1R	Groundskeeper	2.00	-	(2.00)	-	-	(3)
MW1R, MW2R	Maintenance Worker I/II	2.00	5.00	3.00	5.00	-	(3)
PT1R	Public Works Technician	-	1.00	1.00	1.00	-	
SDCR	Special Districts Coordinator	1.00	1.00	-	1.00	-	
SDSR	Special Districts Supervisor	1.00	1.00	-	1.00	-	
SDTR	Special Districts Technician	1.00	1.00	-	1.00	-	
Full-Time Total		7.00	10.00	3.00	10.00	-	
ZL3R	Laborer III	4.80	4.00	(0.80)	4.00	-	(3)
Part-Time Total		4.80	4.00	(0.80)	4.00	-	
YMTR	Maintenance Technician	0.48	-	(0.48)	-	-	
Limited-Service Total		0.48	-	(0.48)	-	-	
015-040 – Assessment Districts Total		**11.80**	**14.00**	**2.20**	**14.00**	**-**	
Total Budgeted FTE		**94.00**	**94.00**	**0.00**	**94.00**	**-**	

Recreation & Parks: 0.00 FTE increase in FY 2024-25 reflects the following:

(1) **First Quarter 2023-24 Budget Amendment:**

a. One (1) 1.00 FTE Assistant Director: Recreation & Parks position was added in the General Fund.

(2) **Second Quarter 2023-24 Budget Amendment:**

a. One (1) Senior Park Services Officer was added in the General Fund.

b. One (1) Account Clerk I/II was added for the Assessment Districts Fund.

(3) **2023-24 Reclassifications:**

a. Two (2) 1.00 FTE Recreation Technician and one (1) 0.80 FTE Facility Specialist II reclassified as two (2) 1.00 FTE Senior Crew Leader-Maintenance Specialist, three (3) 1.00 FTE Groundskeeper reclassified as three (3) 1.00 FTE Maintenance Worker I/II, thirteen (13) 0.80 FTE Laborer III reclassified as seven (7) 1.00 FTE Maintenance Worker I/II, and two (2) 0.80 FTE Facility Specialist III and one (1) 0.80 FTE Senior Lifeguard were reclassified as two (2) 1.00 FTE Recreation Coordinator in the General Fund. The budget for one (1) Technical Aide III (limited service) is eliminated.

b. Two (2) 1.00 FTE Groundskeeper reclassified as two (2) 1.00 FTE Maintenance Worker I/II and one (1) part-time 0.80 FTE Laborer III reclassified as one (1) full-time 1.00 FTE Maintenance Worker I/II in the Assessments District Fund.

(4) **2024-25 Supplemental Budget Request – Additions:**

a. One (1) 0.80 FTE Security Guard is added in the General Fund. The budget for three (3) Security Aide (limited service) is eliminated.

b. One (1) 1.00 FTE Public Works Technician is added in the Assessment Districts Fund. The budget for one (1) Maintenance Technician (limited service) is eliminated.

(5) **2024-25 Supplemental Budget Requests – Reclassifications/Reallocations:**

a. One (1) part-time 0.80 FTE Graphics Technician is converted to one (1) full-time 1.00 FTE Graphics Technician in the General Fund.

b. One (1) part-time 0.80 FTE Staff Assistant is reclassified as one (1) full-time 1.00 FTE Account Clerk I/II in the General Fund. One (1) part-time 0.80 FTE Clerk II is eliminated in the General Fund (exchange is budget neutral).

c. Two (2) 1.00 FTE Recreation Coordinator positions will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

d. Four (4) 0.80 FTE Laborer III positions will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

UTILITIES							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
011-060, 080 – Water Resources							
ADLU	Administrative Leader	-	2.00	2.00	2.00	-	(2)
WCST	Customer Service Technician	3.00	3.00	-	3.00	-	
EITW	Electrical and Instrumentation Technician	-	1.00	1.00	1.00	-	(3)
GS2M	GIS Technician II	1.00	1.00	-	1.00	-	
LBCU	Laboratory Coordinator	1.00	1.00	-	1.00	-	
LWWU	Lead Wastewater Operator	3.00	3.00	-	3.00	-	
LWOU	Lead Water Operator	2.00	2.00	-	2.00	-	
MU1U, MW1U	Maintenance Worker I	6.00	6.00	-	6.00	-	
OA1U	Office Assistant I	-	1.00	1.00	1.00	-	(1)
OLNS	Organization/Enterprise Leader (Non-Safety)	-	1.00	1.00	1.00	-	(3)
PCEW	Principal Civil Engineer	1.00	1.00	-	1.00	-	
PRLU	Program Leader	-	1.00	1.00	1.00	-	(3)
RCSU, RCSW	Reg Compliance Specialist	2.00	2.00	-	2.00	-	
RC2U	Reg Compliance Specialist II	1.00	1.00	-	1.00	-	
RCMU	Regulatory Compliance Manager	1.00	1.00	-	1.00	-	
SCEU	Senior Civil Engineer	1.00	1.00	-	1.00	-	
UUTA	Utilities Technology Analyst	1.00	1.00	-	1.00	-	
WWOU	Wastewater Operator III	8.00	8.00	-	8.00	-	
WWSU	Wastewater Supervisor	1.00	2.00	1.00	2.00	-	(2)
WWCS	Water Conservation Specialist	1.00	1.00	-	1.00	-	
WTO3	Water Operator III	11.00	11.00	-	11.00	-	
WRMU	Water Resources Manager	1.00	2.00	1.00	2.00	-	(2)
WTSU	Water Supervisor	2.00	2.00	-	2.00	-	
Full-Time Total		47.00	55.00	8.00	55.00	-	
ZSAW	Staff Assistant	0.80	0.80	-	0.80	-	
Part-Time Total		0.80	0.80	-	0.80	-	
011-060, 080 – Water Resources Total		**47.80**	**55.80**	**8.00**	**55.80**	**-**	
011-052, 053, 054, 056 – Refuse & Street Sweeping							
ACSU	Account Clerk – Scale House	3.00	3.00	-	3.00	-	
ACIW, AC2U	Account Clerk I/II	3.00	3.00	-	3.00	-	
AAUD	Administrative Assistant	1.00	1.00	-	1.00	-	
BULU	Business Leader	-	2.00	2.00	2.00	-	
BP1U	Business Program Leader I	3.00	-	(3.00)	-	-	
BP2U	Business Program Leader II	1.00	-	(1.00)	-	-	(1)
CLUT	Corporate/Executive Leader (Non-Safety)	1.00	1.00	-	1.00	-	
EN1U, EN2U	Engineer I/II	1.00	1.00	-	1.00	-	

UTILITIES							
Job Code	and Position Title	Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
LHLU	Landfill Heavy Equip Lead Opr	2.00	2.00	-	2.00	-	
HEOW	Landfill Heavy Equip Opr	7.00	7.00	-	7.00	-	
MW1U, MW2U, MW2W	Maintenance Worker I/II	9.00	9.00	-	9.00	-	
OA2U, OA2W	Office Assistant II	3.00	3.00	-	3.00	-	
OLNS	Organization/Enterprise Leader (Non-Safety)	1.00	1.00	-	1.00	-	
PCEW	Principal Civil Engineer	-	1.00	1.00	1.00	-	(4)
RCMU	Regulatory Compliance Manager	-	1.00	1.00	1.00	-	(1)
RCSU	Reg Compliance Specialist	1.00	1.00	-	1.00	-	
RC2U, RCS2	Reg Compliance Specialist II	2.00	3.00	1.00	3.00	-	(3)
RC3U	Regulatory Compliance Supervisor	1.00	1.00	-	1.00	-	
SCEU	Senior Civil Engineer	1.00	-	(1.00)	-	-	(4)
SWCU	Solid Waste Collections Super	1.00	1.00	-	1.00	-	
WSWL	Solid Waste Equip Lead Opr	2.00	2.00	-	2.00	-	
SCLU	Solid Waste Equipment Crew Ldr	2.00	2.00	-	2.00	-	
SW1U, SW2U	Solid Waste Equipment Opr I/II	24.00	24.00	-	24.00	-	
SWLW	Solid Waste Landfill Super	1.00	1.00	-	1.00	-	
SWMU	Solid Waste Manager	2.00	2.00	-	2.00	-	
AT3U	Utilities Accounting Technician III	1.00	1.00	-	1.00	-	
UOSU	Utilities Outreach Specialist	1.00	2.00	1.00	2.00	-	(3)
Full-Time Total		74.00	75.00	1.00	75.00	-	
ZSAW	Staff Assistant	0.80	-	(0.80)	-	-	(1)
Part-Time Total		0.80	-	(0.80)	-	-	
011-052, 053, 054, 056 – Refuse & Street Sweeping Total		**74.80**	**75.00**	**0.20**	**75.00**	**-**	
Total Budgeted FTE		**122.60**	**130.80**	**8.20**	**130.80**	**-**	

Utilities: 8.20 FTE increase in FY 2024-25 reflects the following:

(1) **2023-24 Reclassifications:**

a. Two (2) 1.00 FTE Customer Service Clerk reclassed as two (2) 1.00 FTE Finance Clerk.

b. One (1) 1.00 FTE Business Program Leader was reclassed as one (1) 1.00 FTE Regulatory Compliance Manager.

c. One (1) part-time 0.80 FTE Staff Assistant reclassified as one (1) 1.00 FTE full-time Office Assistant I.

(2) **Second Quarter 2023-24 Budget Amendment:** One (1) 1.00 FTE Administrative Leader, one (1) 1.00 FTE Wastewater Supervisor, and one (1) 1.00 FTE Water Resources Manager were added for the Utilities Department.

(3) **Supplemental Budget Request – Additions:**

a. One (1) 1.00 FTE Organization/Enterprise Leader (Non-Safety) serving as a Deputy Director – Administration, one (1) 1.00 FTE Electrical & Instrumentation Technician, one 1.00 FTE (1) Program Leader, one (1) 1.00 FTE Utilities Outreach Specialist, and one (1) 1.00 FTE Regulatory Compliance Specialist II are added for the Utilities Department.

(4) **Supplemental Budget Requests – Reclassifications:**

a. One (1) 1.00 FTE Senior Civil Engineer is reclassified as one (1) 1.00 FTE Principal Civil engineer for the Utilities Department.

MEASURE U POSITION DETAIL BY DEPARTMENT

The following Personnel Detail lists all budgeted positions supported by Measure U for each department, identifies the change from the FY 2023-24 adopted budget, and provides annotations for the changes. Three classifications of position type are segregated in the Personnel Detail:

1. Full-Time Benefitted
2. Part-Time
3. Limited Service

Limited-Service positions are considered pooled positions. The FTE value listed for these positions reflects the FTE equivalent of the allocated budget amount; the actual FTE hired may vary from the FTE listed in the Personnel Detail. City departments are required to adhere to the total amount budgeted for the pool but are not required to adhere to the FTE allocation.

CITY MANAGER'S OFFICE							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
004-092 – Measure U							
PEGM	PEG Production Manager	1.00	1.00	-	1.00	-	
Full-Time Total		1.00	1.00	-	1.00	-	
004-092 – Measure U Total		**1.00**	**1.00**	**-**	**1.00**	**-**	

COMMUNITY DEVELOPMENT							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
006-092 – Measure U							
CE1A	Code Enforcement Officer I/II	4.00	3.00	(1.00)	3.00	-	
CESA	Code Enforcement Supervisor	1.00	1.00	-	1.00	-	
CETA	Code Enforcement Technician	1.00	1.00	-	1.00	-	
BP1C	Business Program Leader	1.00	-	(1.00)	-	-	
PRLD	Program Leader	-	1.00	1.00	1.00	-	
Full-Time Total		7.00	6.00	(1.00)	6.00	-	
006-092 – Measure U Total		**7.00**	**6.00**	**(1.00)**	**6.00**	**-**	

(1) **Supplemental Budget Requests – Reclassifications/Reallocations:**

a. One (1) 1.00 FTE Code Enforcement Officer I/II position will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

LIBRARY							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
007-090, 091, 092 – Measure U							
LI1L	Librarian I	1.00	1.00	-	1.00	-	
LI2L	Librarian II	1.00	0.00	(1.00)	0.00	-	(1)
LLCC	Library Clerk	1.00	1.00	-	1.00	-	
Full-Time Benefitted Total		3.00	2.00	(1.00)	2.00	-	
ZC2L	Clerk II	1.60	1.60	-	1.60	-	
ZLTL	Library Technical Assistant	2.40	2.40	-	2.40	-	
YSEO	Security Officer	1.60	1.60	-	1.60	-	
Part-Time Total		5.60	5.60	-	5.60	-	
YLTL	Assistant Library Technician	3.84	2.40	(1.44)	2.40	-	(1)
Limited-Service Total		3.84	2.40	(1.44)	2.40	-	
007-090, 091, 092 – Measure U Total		**8.60**	**7.60**	**(1.00)-**	**7.60**	**-**	

Library: -1.00 FTE increase in FY 2024-25 reflects the following:

(1) **Supplemental Budget Requests – Reclassifications/Reallocations:**

b. One (1) Graphics Technician is converted from part-time (0.80 FTE) to full-time (1.0 FTE). The budget for one (1) Assistant Library Technician (limited service) was eliminated.

c. One (1) 1.00 FTE Librarian II position will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

RECREATION & PARKS							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
008-090, 091, 092 – Measure U							
BULR	Business Leader	-	1.00	1.00	1.00	-	
BP2R	Business Program Leader II	1.00	-	(1.00)	-	-	
OA2R	Office Assistant I/II	1.00	1.00	-	1.00	-	
OTCR	Outreach Coordinator	1.00	1.00	-	1.00	-	
PO1R	Park Service Officer	2.00	2.00	-	2.00	-	
PO2R	Park Services Officer II	5.00	5.00	-	5.00	-	
PO3R	Park Services Officer III	2.00	2.00	-	2.00	-	
RCRR	Recreation Coordinator	2.00	0.00	(2.00)	0.00	-	
Full-Time Total		14.00	12.00	(2.00)	12.00	-	
ZS2R	Facility Specialist II	2.40	2.40	-	2.40	-	
ZL3R	Laborer III	6.40	0.00	(6.40)	0.00	-	(1)
ZRS1	Recreation Activity Specialist	4.00	4.00	-	4.00	-	
SECR	Security Guard	-	0.80	0.80	0.80	-	(2)
Part-Time Total		12.80	7.20	(5.60)	7.20	-	
YLGR	Lifeguard	0.96	0.96	-	0.96	-	
YR2R	Recreation Leader II	1.68	1.68	-	1.68	-	
YSER	Security Aide	1.44	-	(1.44)	-	-	(2)
YSCR	Swim Pool Clerk	0.96	0.96	-	0.96	-	
YTA3	Technical Aide III	0.48	-	(0.48)	-	-	
Limited-Service Total		5.52	3.60	(1.92)	-	-	
008-090, 091, 092 – Measure U Total		**26.80**	**19.20**	**(7.60)**	**19.20**	**-**	

Recreation & Parks: 5.60 FTE decrease in FY 2024-25 reflects the following:

(1) **2023-24 Reclassifications:**

a. Four (4) 1.00 FTE Groundskeeper and five (5) part-time 0.80 FTE Laborer III were reclassified as ten (10) 1.00 FTE Maintenance Worker I/II, two (2) 1.00 FTE Recreation Technician were reclassified as two (2) 1.00 FTE Senior Crew Leader, and two (2) part-time 0.80 FTE Facility Specialist III and one (1) part-time 0.80 FTE Senior Lifeguard were reclassified as three (3) 1.00 FTE Recreation Coordinators.

(2) **Supplemental Budget Request – Additions/Reallocations:**

a. One (1) 0.80 FTE Security Guard is added. The budget for three (3) Security Aide (limited service) is eliminated.

b. Two (2) 1.00 FTE Recreation Coordinator positions will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

c. Four (4) 0.80 FTE Laborer III positions will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

FIRE							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
009-090 – Measure U							
ADLF	Administrative Leader	-	2.00	2.00	2.00	-	
BP1F	Business Program Leader I	1.00	-	(1.00)	-	-	
BP1H	Business Program Leader I	1.00	-	(1.00)	-	-	
DFCF	Deputy Fire Chief	1.00	1.00	-	1.00	-	
FBCF	Fire Battalion Chief	2.00	2.00	-	2.00	-	
FCNF	Fire Captain	10.00	12.00	2.00	12.00	-	(1), (2)
FERF	Fire Engineer	9.00	10.00	1.00	10.00	-	(1), (2)
FFRF	Fire Fighter	19.00	18.00	(1.00)	18.00	-	
FIIF	Fire Inspector I	2.00	2.00	-	2.00	-	
F02F	Fire Prevention Officer II	1.00	1.00	-	1.00	-	
OA1F	Office Assistant I	1.00	1.00	-	1.00	-	
Full-Time Total		47.00	49.00	2.00	49.00	-	
ZCEF	Emergency Services Specialist	0.80	0.80	-	0.80	-	
Part-Time Total		0.80	0.80	-	0.80	-	
009-090 – Measure U Total		**47.80**	**49.80**	**2.00**	**49.80**	**-**	

Fire: 2.00 FTE increase in FY 2024-25 reflects the following:

(1) **Second Quarter 2023-24 Budget Amendment:** One (1) 1.00 FTE Fire Captain, and one (1) 1.00 FTE Fire Engineer were added. One (1) 1.00 FTE Fire Captain, and one (1) 1.00 FTE Fire Engineer that were previously authorized but unfunded will be funded in FY 2024-25.

(2) **Supplemental Budget Request - Reallocation:** One (1) 1.00 FTE Fire Engineer and one (1) 1.00 FTE Fire Fighter position will not be supported by Measure U in order to balance to the City Council's policy of appropriating 90 percent for Public Safety, 5 percent for Youth Services, and 5 percent for Quality of Life. The position will be budgeted in the General Fund.

POLICE							
Job Code and Position Title		Adopted FY 2023-24	Adopted FY 2024-25	Change	Adopted FY 2025-26	Change	Note
010-090 – Measure U							
BP1P	Business Program Leader I	1.00	-	(1.00)	-	-	
CANP	Crime Analyst	1.00	-	(1.00)	-	-	
CAN1, CAN2	Crime Analyst I/II	-	1.00	1.00	1.00	-	(3)
DI1P, DI2P	Dispatcher I/II	3.00	3.00	-	3.00	-	
INSP	Investigative Specialist I/II	1.00	1.00	-	1.00	-	
OLPD	Organization/Enterprise Leader (Safety)	1.00	1.00	-	1.00	-	
PCLP	Police Corporal	9.00	9.00	-	9.00	-	
PLTP	Police Lieutenant	1.00	1.00	-	1.00	-	
PORP	Police Officer	21.00	27.00	6.00	27.00	-	(1)
PSGP	Police Sergeant	8.00	8.00	-	8.00	-	
PSTP	Police Services Technician	1.00	1.00	-	1.00	-	
PRLP	Program Leader	-	1.00	1.00	1.00	-	
PECP	Property-Evidence Clerk	1.00	1.00	-	1.00	-	
Full-Time Total		48.00	54.00	6.00	54.00	-r	

YPCD	Police Cadet	0.96	0.96	-	0.96	-
Limited-Service Total		0.96	0.96	-	0.96	-
010-090 – Measure U Total		**48.00**	**54.00**	**6.00**	**54.00**	**-**

Police: 6.00 FTE increase in FY 2024-25 reflects the following:

(1) **Previously Authorized & Unfunded Positions:** Six (6) 1.00 FTE Police Officer positions that were previously authorized but unfunded will be funded in FY 2024-25.

(2) **2023-24 Reallocation:** one (1) 1.00 FTE Police Services Technician in the General Fund reclassified as one (1) 1.00 FTE Lead Police Services Technician in the Measure U Fund.

(3) **2024-25 Supplemental Budget Requests – Reclassifications:**

a. The Crime Analyst classification will be converted to a Crime Analyst I/II flex series. The budget for one (1) Reserve Police Officer Level 1 (limited service) and one (1) Reserve Police Officer (limited service) is eliminated.

Total Budgeted FTE	**139.20**	**137.60**	**(1.60)**	**137.60**	**-**

DEPARTMENT BUDGET DETAIL

City of Santa Maria

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OVERVIEW

Departmental budget details include the following information for each applicable City department:

The following pages present information on each City department, program, or activity. Each section provides information on major departments, the departmental structure, the financial relationship between the departmental programs, a summary of the overall departmental budget, the goals and objectives of the department in the first year of the two-year budget, and major budget changes to the departments. Each departmental budget contains the following elements:

- **Organizational Chart:** The organizational chart presents the administrative structure summarizing how each department is organized.
- **Program Expenses:** This section reports expenses by summary type: Salaries and Benefits, Services and Supplies, Capital, Debt Service, and Reserves.
- **Summary of Service Programs:** The cost of each activity, division, or program within the department is summarized and presented in this section.
- **Program Description:** This section presents a general description of the department's purpose, and the goals and activities of each program and/or division.
- **Subprograms and Their Objectives:** This section outlines how each division or subprogram accomplishes the purpose and the goals of the department.
- **Performance/Workload Measures:** This section presents historical and projected performance and workload indicators. These indicators show the activities required to achieve the department's goals and objectives, as well as provide a picture of the scope of work and effectiveness of the departments.
- **Goals and Objectives:** This section lists the specific program-related goals and objectives that the department intends to pursue over the first year of the two-year budget.
- **Noteworthy Budget Highlights:** This section summarizes the significant operating program changes from the prior financial plan. These changes may include major service reorganizations; the curtailment or expansion of services and/or programs; increases or decreases in regular positions; significant one-time costs; major changes in the method of delivering services; operational changes that will impact other departments or customer service; and changes that affect current policies or noteworthy capital projects.

DEPARTMENT DETAIL PAGE REFERENCES

Police Department 213
Fire Department 220
Utilities Department 227
Public Works Department 243
Recreation and Parks Department 257
Library Department 269
Community Development Department 275
Mayor & Council 292
City Attorney's Office 295
City Manager's Office 299
Finance Department 309

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PUBLIC SAFETY: POLICE DEPARTMENT

DEPARTMENT OVERVIEW

PURPOSE

The Santa Maria Police Department strives to protect and serve all those who live or work, or visit the City of Santa Maria by providing professional police services through community partnerships. Under a philosophy of Community and Constitutionally Based Policing, the Department strives to maintain trust and deliver exceptional service to promote public safety and reduce crime. The Department offers a full range of professional police services that include patrol operations, investigations, traffic enforcement, criminalistics, crime prevention, narcotic enforcement, abuse prevention, and many other services necessary to ensure the development of a safer community. The Department's policing philosophy promotes strength through interaction and mutual respect in partnership with the community to improve the quality of life for all persons within the City.

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
Long-Term Financial Sustainability	Explore opportunities to expand the use of hybrid and/or electric vehicles for our Police Service Technicians and Detective Bureau personnel. Expand our bike patrol and mounted enforcement unit presence in the community.
Community Quality of Life	Concentrate efforts on parking-related violations to include education and enforcement.
Planning and Infrastructure	Collaborate, develop, and implement a department-wide strategic plan for calendar year 2025.
Organizational Well-Being	Explore opportunities to incorporate a fitness program to promote mental and physical wellness within the department.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
New Approach to Economic Development	Develop a community academies alumni program to inform and educate community graduates on topics of mutual interest including community-oriented policing at downtown events.
Provide Youth Opportunities	Partner with other City departments and non-profits to identify and implement programs focused on community youth.
Provide Public Safety Resources	Identify specialized training courses for Crime Lab personnel to work toward earning national accreditation.
	Raise awareness of Human Trafficking by partnering with local law enforcement and non-profits to better inform and educate the community.
	Exceed California State requirements in de-escalation and racial profile training.
Establish a Staffing Plan	Promote department-wide recruitment with our local community colleges, universities, and Vandenberg Space Force Base to educate and inform potential candidates on career opportunities with the Santa Maria Police Department.

ACCOMPLISHMENTS

Recent accomplishments of the Police Department include:

- Increased outreach efforts throughout the community, with a focus on the youth through expansion/implementation of Explorer Post and School Resource Officer programs, growing social media campaigns to engage the public on safety and crime prevention, and including the Mixteco-speaking community.
- Further developed existing partnerships with local/State/Federal agencies to enhance services to reduce crimes in areas such as gun violence, child exploitation, human trafficking, and substance abuse.
- Expanded the Automated License Plate Readers system and implemented new technology such as body-worn cameras and online platforms for non-emergency crime reports, concealed carry weapons permits, and management of the Department's training program, to increase transparency and enhance services to the community, in alignment with the Smart City, Safe City Vision.
- Focused efforts to promote recruitment, hiring, training, and the creation of Police Cadet program to provide internship opportunities, all to advance the Department's staffing and succession plan.

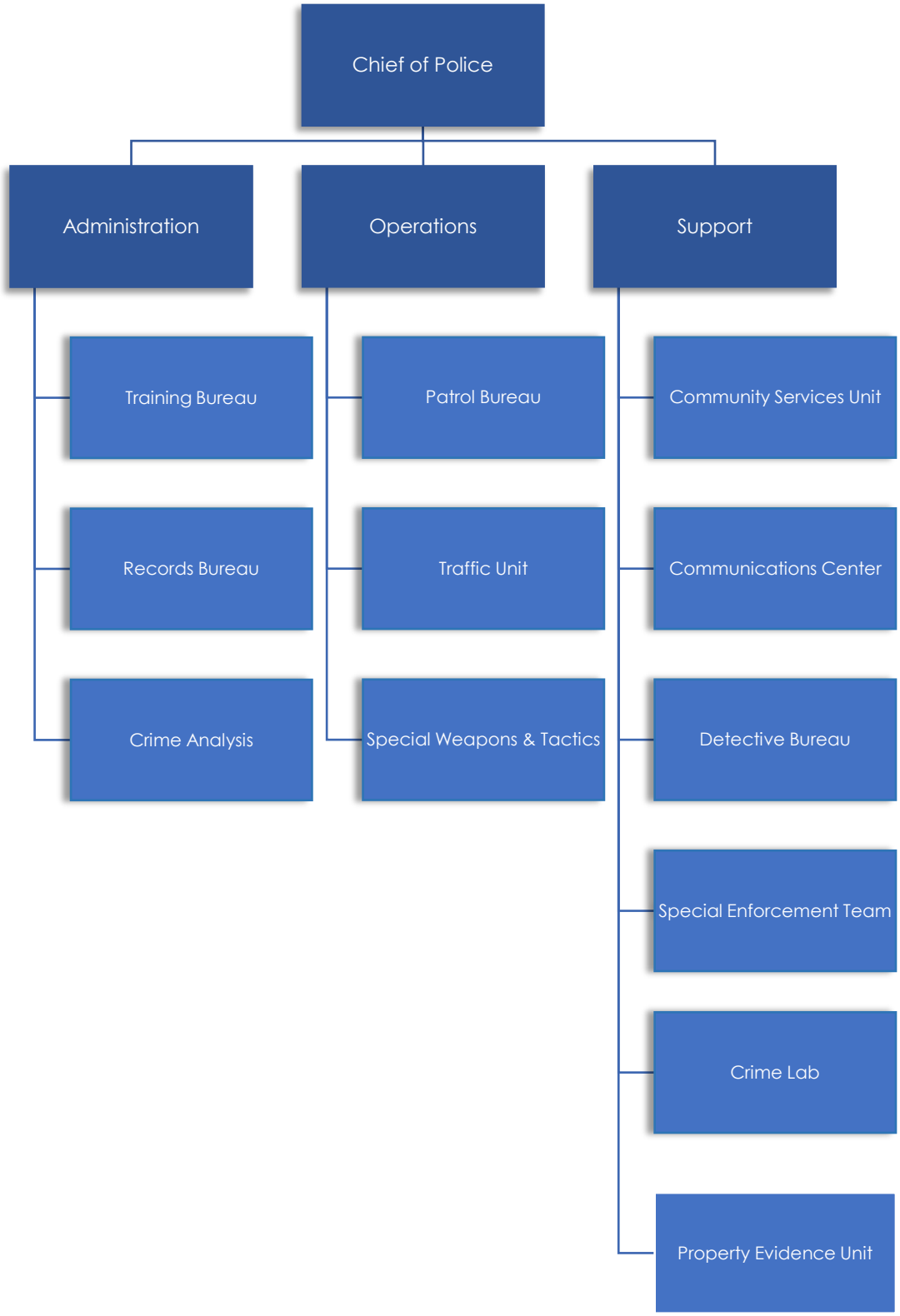
NOTEWORTHY BUDGET HIGHLIGHTS

- The training program's budget is increased by $50,000 per year to maintain the department's ability to meet regularly scheduled and mandated training needs. Training needs have grown within the department with additional mandates for sworn staff. This budget increase is reimbursed by the Peace Officers Standards and Training Commission. The training budget is the foundation for meeting required demands and ensuring sworn and professional staff are adequately trained to continue to provide the community with quality service.
- One Organization/Enterprise Leader (Safety) will be reclassified to serve as an Assistant Chief of Police, the Crime Analyst classification will be converted to a Crime Analyst I/II flex series, and a Digital Forensics Examiner flex series will be created for the Department. These positions will augment sworn officers to meet mission critical needs within the department.

PERFORMANCE MEASURES

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
DEMAND/WORKLOAD			
Calls for Service	222,170	218,251	226,088
Reports	32,206	30,861	32,369
Sobriety and Driver's License Checkpoints	10	9	6
Checkpoint Arrests	23	15	14
Traffic Collision Reports	3,597	3,934	3,991
Arrests	5,849	6,776	6,745
Guns Recovered	307	335	381
CRIME STATISTICS			
Homicide	10	15	18
Forcible Rape	144	143	142
Robbery	310	379	356
Assault	3,372	2,968	2,867
Burglary	1,304	882	906
Larceny Theft	2,444	2,367	2,452
Motor Vehicle Theft	2,122	1,814	1,898

DEPARTMENT ORGANIZATION



A complete schedule of the department's positions, a summary of changes, and a detailed explanation of position changes can be viewed at *Personnel - Police Department* on page 193.

BUDGET OVERVIEW

Budget Summary by Expenditure Category - All Funds	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
EXPENDITURE CATEGORY					
Salaries & Benefits	$ 30,998,142	$ 36,366,298	$ 40,510,735	$ 44,156,464	$ 46,707,884
Services & Supplies	6,603,148	7,571,186	7,697,508	9,876,182	9,876,182
Capital & Outside Agencies	231,260	227,678	439,223	140,000	100,000
Transfers	422,550	914,006	908,861	630,220	630,220
Total Budget	**$ 38,255,100**	**$ 45,079,169**	**$ 49,556,327**	**$ 54,802,866**	**$ 57,314,286**

Budget Summary by Fund	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
FUND					
001 - General Fund	$ 28,350,554	$ 33,056,315	$ 36,802,344	$ 41,626,826	$ 43,405,481
011 - Measure U Fund	9,474,071	11,639,340	12,267,733	12,835,790	13,568,555
013 - Traffic Safety Fund	371,277	331,390	340,250	340,250	340,250
801 - Capital Projects-General Fund	59,198	52,125	146,000	-	-
Total Budget	**$ 38,255,100**	**$ 45,079,169**	**$ 49,556,327**	**$ 54,802,866**	**$ 57,314,286**

Budget Summary by Program - All Funds	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
PROGRAM					
Public Safety					
1010 - Administration	$ 6,515,486	$ 7,080,819	$ 7,826,199	$ 9,545,112	$ 9,621,442
1020 - Operations	13,674,494	17,135,122	18,804,377	20,750,689	21,847,072
1030, 1033, 1035 - Support	7,398,167	8,347,426	9,830,564	10,608,210	11,175,139
1021, 1022, 1023, 1024, 1028 - Grant Supported Operations	1,192,882	876,462	827,454	1,063,065	1,102,078
1090 - Measure U Public Safety	9,474,071	11,639,340	12,267,733	12,835,733	13,568,555
Total Public Safety	**$ 38,255,100**	**$ 45,079,169**	**$ 49,556,327**	**$ 54,802,866**	**$ 57,314,286**
Total Budget	**$ 38,255,100**	**$ 45,079,169**	**$ 49,556,327**	**$ 54,802,866**	**$ 57,314,286**

DIVISION/PROGRAM BUDGETS

ADMINISTRATION

The Administration Division implements appropriate policy as directed by City Administration and the public through their elected officials, as it pertains to professional police services. Department administration strives to improve the ability of its employees to perform their duties while strengthening the relationship that exists between them and the community they serve. A strong emphasis on recruitment, human resource development, professional standards, risk management, training, and succession planning is essential in achieving the goals and objectives of the Department. The Administration Division maintains fiscal oversight of all Department operations and communicates its

organizational needs through the budget process, based upon a reasonable evaluation of future requirements crucial to the Department's operation.

Training Bureau

The Training Bureau is responsible for the arrangement and recording of the training for Department personnel, including compliance with mandates and best practices as directed by the California Commission on Peace Officer Standards and Training (POST). The Training Bureau is also tasked with managing recruitment activities for sworn and civilian personnel. Also, it oversees the Department's policy manual and analyzes and incorporates best practice updates as the State of California releases them, and manages the Field Training Program for new officers, Emergency Preparedness, and the Volunteer Program.

Records Bureau

The Records Bureau's primary responsibility is to maintain and distribute law enforcement records. Records personnel are also responsible for registering sex offenders, processing various applications, fingerprinting members of the public, and reporting crime statistics to the FBI. Records personnel are often the face of the Department as they assist community members at the lobby counter.

Crime Analysis

The Crime Analyst is responsible for conducting an in-depth analysis of crime data in search of patterns. The mission is to assist the Department in using a data-driven approach to patrol deployments and investigations.

Administration (1010)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 894,386	$ 1,143,219	$ 1,159,176	$ 1,354,205	$ 1,430,535
Services & Supplies	5,516,165	5,785,472	6,471,023	8,090,907	8,090,907
Capital & Outside Agencies	47,174	103,692	50,000	100,000	100,000
Total General Fund	**$ 6,457,725**	**$ 7,032,383**	**$ 7,680,199**	**$ 9,545,112**	**$ 9,621,442**
801 – CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ 57,761	$ 48,436	$ 146,000	$ -	$ -
Total Capital Projects-General Fund	**$ 57,761**	**$ 48,436**	**$ 146,000**	**$ -**	**$ -**
Total Administration	**$ 6,515,486**	**$ 7,080,819**	**$ 7,826,199**	**$ 9,545,112**	**$ 9,621,442**

OPERATIONS DIVISION

The Operations Division is responsible for uniformed patrol through a network of delivery services, which include Patrol and Traffic.

Patrol Bureau

Patrol is the largest and most visible component of the Police Department, operating 24/7 and functioning as the backbone of police services. The deployment of the police officers is based on crime and calls for service patterns in a particular neighborhood or other geographic areas, the days and times of the week calls for service occur, as well as the quality-of-life issues in the community. Intentional emphasis is placed on the collaborative development of long-term solutions to recurring incidents of neighborhood conflict.

Traffic Unit

The Traffic Unit has the mission of reducing the loss of life, injury, and property damage caused by traffic collisions. As part of their duties, personnel assigned to this unit analyze collision data focusing on location, time, and causal factors. Using this information, traffic personnel attempt to reduce the

number and severity of the City's traffic collisions through public education, vehicle checkpoints, coordinating efforts with the City's traffic engineers, and directed enforcement.

Special Weapons and Tactics (SWAT)

The SWAT team, established in 1986, provides response capability for critical incidents that exceed traditional patrol or detective resources. The team's primary goal is the preservation of life when faced with unusually hazardous situations. Such situations include barricaded suspects, hostage rescue, high-risk search warrants, terrorist activity, active shooter response, dignitary protection, and similar events. The Department also has a Crisis Negotiations Team (CNT), which can be deployed independently as needed, or in concert with the SWAT Team.

Operations (1020)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 13,671,709	$ 16,931,084	$ 18,600,056	$ 20,535,511	$ 21,631,894
Services & Supplies	1,348	204,039	204,321	215,178	215,178
Total General Fund	**$ 13,673,056**	**$ 17,135,122**	**$ 18,804,377**	**$ 20,750,689**	**$ 21,847,072**
801 – CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ 1,483	$ -	$ -	$ -	$ -
Total Capital Projects-General Fund	**$ 1,483**	**$ -**	**$ -**	**$ -**	**$ -**
Total Operations	**$ 13,674,494**	**$ 17,135,122**	**$ 18,804,377**	**$ 20,750,689**	**$ 21,847,072**

SUPPORT DIVISION

The Support Division encompasses the Detective Bureau, Special Enforcement Team, Crime Lab, Property/Evidence Unit, Community Services Unit, and the Communications Center.

Community Services Unit

The Community Services Unit consists of Beat Coordinators, School Resource Officers, Police Service Technicians, and a Mental Health Officer. The City is divided into three geographical beats, each assigned a Beat Coordinator to address specific concerns and quality of life issues within the community. School Resource/DARE Officers work closely with the school administrators to reduce absenteeism, teach accountability, and provide positive channels for behavior. Police Service Technicians provide a support role to patrol operations in handling various calls for service and community outreach.

Communications Center

The Communications Center provides 24/7 dispatch services for the Police and Fire Departments, and the City of Guadalupe. Dispatchers are responsible for answering and prioritizing incoming 911 calls, non-emergency calls, and administrative calls. Utilizing state-of-the-art technologies, the Center's personnel handle over 200,000 incoming and outgoing calls every year.

Detective Bureau

The Detective Bureau serves as the primary investigative section of the Police Department and is tasked with investigating criminal cases, identifying/apprehending offenders, and preparing cases for prosecution.

Special Enforcement Team (SET)

SET's mission is to be a highly visible, uniformed presence within the community. Its primary focus is on gang and narcotics enforcement. The team accomplishes this objective by obtaining criminal intelligence and conducting proactive, street-level enforcement.

Crime Lab

This unit is tasked with the responsibility of identifying and gathering evidence at major crime scenes and processing that evidence in the Department's crime lab. This personnel provides forensic investigative support to uniformed officers and detectives while partnering with State and Federal agencies.

Property/Evidence Unit

The Property and Evidence Unit is tasked with the storing of property and evidence, preserving the "chain of custody", and purging once cases have reached final resolution.

Support (1030, 1033, 1035)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 7,335,220	$ 8,339,943	$ 9,827,064	$ 10,603,710	$ 11,170,639
Services & Supplies	7,416	3,795	3,500	4,500	4,500
Capital & Outside Agencies	55,531	-	-	-	-
Total General Fund	**$ 7,398,167**	**$ 8,343,738**	**$ 9,830,564**	**$ 10,608,210**	**$ 11,175,139**
801 – CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ 57,761	$ 48,436	$ 146,000	$ -	$ -
Total Capital Projects-General Fund	**$ 57,761**	**$ 48,436**	**$ 146,000**	**$ -**	**$ -**
Total Administration	**$ 7,398,167**	**$ 8,347,426**	**$ 9,830,564**	**$ 10,608,210**	**$ 11,175,139**

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PUBLIC SAFETY: FIRE DEPARTMENT

DEPARTMENT OVERVIEW

PURPOSE

As an "all-risk" public safety agency, the Santa Maria Fire Department is responsible for: fire, rescue, emergency medical services; reduction of the community's fire and life safety risks; prevention and investigation of fires; public safety education; and, planning, coordinating, training and implementing the City's Emergency Preparedness Plan. The Department fulfills these responsibilities by providing a full range of fire and life safety programs, equipment, supplies, and assets to the City of Santa Maria's residents, businesses, visitors, and City departments and activities.

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
Long-Term Financial Sustainability	Assess the departmental impact of the Santa Barbara County Ambulance contract. Explore options and feasibility of providing facilities for ambulance crews to enhance service.
Planning and Infrastructure	Revise and expand commercial building fire inspection program.
	Re-evaluate assembly occupancy fire inspection program. Confirm assembly occupancies are identified and inspected annually.
	Conduct detailed condition and function assessments of each fire facility and give annual updates to the City Manager.
Organizational Well-Being	Develop and implement a one-year training calendar to meet operational needs and to standardize training delivered to the field.
	Evaluate and update policies to address the Fire Department's current and future needs.
	Improve support for mental wellness for the fire service members through the acquisition of a therapy dog.
	Streamline the ARFF certification process and train personnel to meet ARFF qualifications.
	Develop a plan for Acting Engineer and Captain to provide training for members, enhance skills, and prepare for succession planning.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
Provide Public Safety Resources	Open an additional Engine company in the City to provide a better service deployment model for the residents and businesses of the City.

ACCOMPLISHMENTS

- Hired and trained staff to perform Prevention responsibilities, including business inspections, plan reviews, and investigation capabilities.
- Reinstituted third-grade school fire safety program with field crews.
- Developed and implemented one-year training calendar to meet operational needs and standardize training for personnel.
- Conducted detailed condition and function assessment of all facilities and gave updates to City Manager.

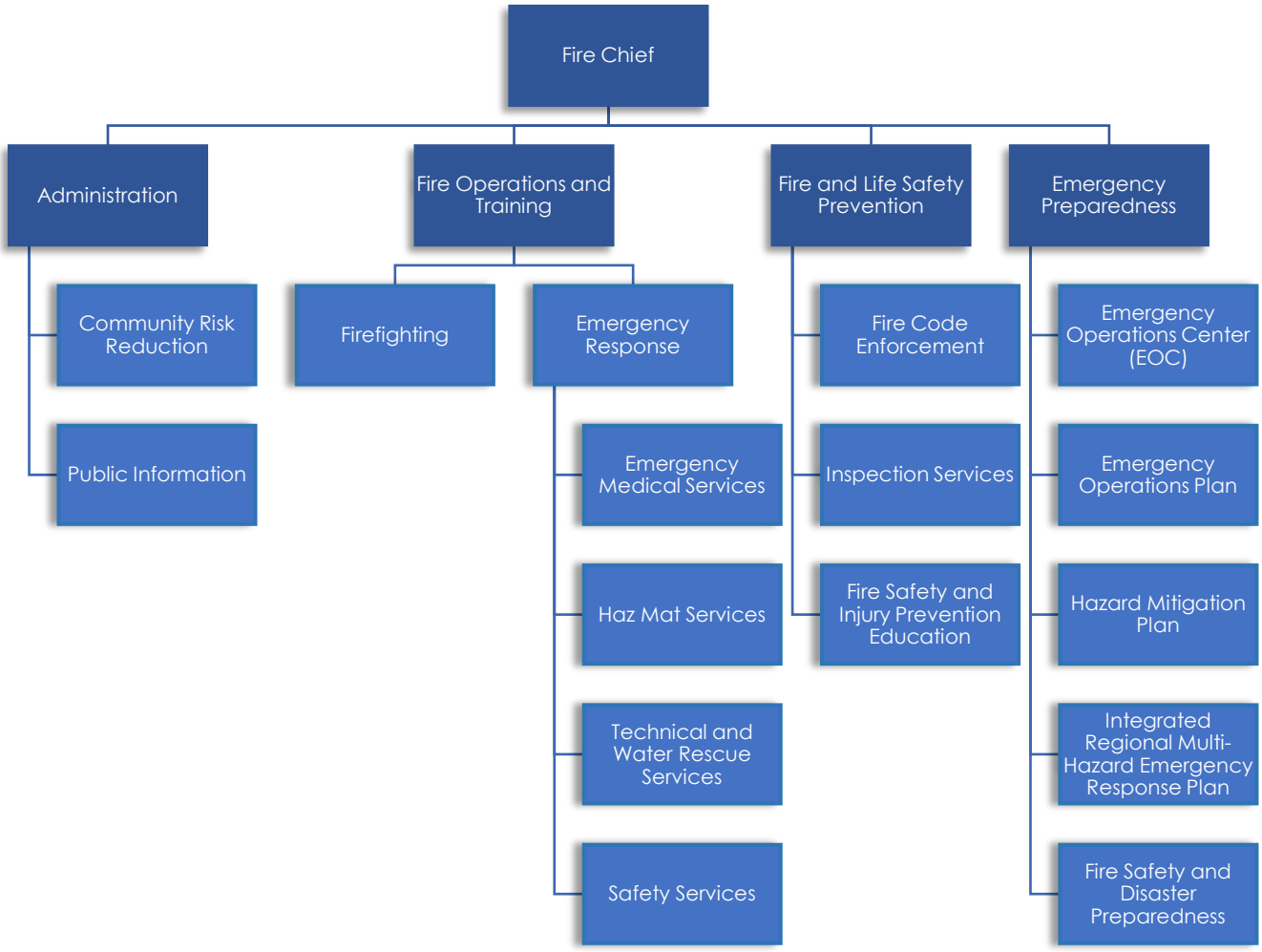
NOTEWORTHY BUDGET HIGHLIGHTS

This budget significantly invests in personnel and equipment for the Fire Department, to enhance public safety and accommodate long-term growth.

- The Santa Maria Fire Department, along with all Santa Barbara County fire agencies, entered into a Cooperative Dispatch Agreement in 2021. This agreement requires all fire departments

across the county to participate by sharing borderless fire and emergency medical services dispatched out of a single facility staffed by employees of the Santa Barbara County Fire Department. The regional dispatch center will use criteria-based dispatch and with the "boundary drop" will ensure the correct resource is responding to the correct type of call. Additional funding of $565,000 for the fiscal years 24-26 will ensure continuous dispatch service to the Fire Department.

DEPARTMENT ORGANIZATION



A complete schedule of the department's positions, a summary of changes, and a detailed explanation of position changes can be viewed at *Personnel - Fire Department* on page 191.

BUDGET OVERVIEW

Budget Summary by Expenditure Category - All Funds

EXPENDITURE CATEGORY	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Salaries & Benefits	$ 15,588,311	$ 16,456,500	$ 18,719,126	$ 21,007,048	$ 22,055,499
Services & Supplies	2,935,130	3,928,531	3,833,236	4,360,053	4,360,053
Capital & Outside Agencies	882,643	1,214,093	5,950,000	-	-
Debt Service	653,237	634,210	-	-	-

Budget Summary by Expenditure Category - All Funds	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Transfers	59,816	528,313	528,313	341,312	341,312
Total Budget	**$ 20,119,138**	**$ 22,761,647**	**$ 29,030,675**	**$ 25,708,413**	**$ 26,756,864**

Budget Summary by Fund	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
FUND					
001 - General Fund	$ 12,814,447	$ 11,420,799	$ 11,037,012	$ 13,762,535	$ 14,195,037
011- Measure U Fund	7,295,781	11,337,050	17,888,663	11,945,878	12,561,827
027 – Growth Mitigation Fund	-	-	105,000	-	-
801 – Capital Projects-General	8,910	3,798	-	-	-
Total Budget	**$ 20,119,138**	**$ 22,761,647**	**$ 29,030,675**	**$ 25,708,413**	**$ 26,756,864**

Budget Summary by Program - All Funds	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
PROGRAM					
Public Safety					
0920 - Administration	$ 10,467,325	$ 9,857,390	$ 9,723,866	$ 12,426,800	$ 12,828,779
0930, 0940 - Fire Operations	2,356,031	1,567,207	1,418,146	1,335,735	1,366,258
0990 - Measure U Public Safety	7,295,781	11,337,050	17,888,663	11,945,878	12,561,827
Total Public Safety	**$ 20,119,138**	**$ 22,761,647**	**$ 29,030,675**	**$ 25,708,413**	**$ 26,756,864**
Total Budget	**$ 20,119,138**	**$ 22,761,647**	**$ 29,030,675**	**$ 25,708,413**	**$ 26,756,864**

DIVISION/PROGRAM BUDGETS

FIRE ADMINISTRATION

Provides leadership and executive oversight of the Department's functions. Manages policy administration, public and inter-agency relations, personnel administration and succession planning, budget and grant administration, financial, accounting and related business analysis, strategic planning, research and technology, and administers the Community Risk Reduction program as part of the Department's strategic plan. The objectives of this sub-group are to:

- Provide strategic and advanced short-, mid-, and long-range plans to effectively guide the Department's delivery system.
- Provide the necessary administrative and clerical support for all Departmental programs, other City departments, individuals, and neighboring fire agencies to ensure achievement of agency goals.
- Provide appropriate public information as it pertains to the Department, emergency services, fire and life safety, and other related issues.
- Ensure that appropriate plans, programs, and implementation strategies are effective in meeting fire operational requirements for resource needs, capital improvement plans, and emergency operating policies.
- Implement appropriate policy as directed by City Administration and the public through their elected officials, as it pertains to fire, life safety, and emergency services.

Administration (0920)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 7,615,347	$ 6,455,103	$ 6,960,650	$ 9,839,167	$ 10,241,146
Services & Supplies	2,189,832	2,764,279	2,658,216	2,587,633	2,587,633
Debt Service	653,237	634,210	-	-	-
Total General Fund	**$ 10,458,415**	**$ 9,853,592**	**$ 9,618,866**	**$ 12,426,800**	**$ 12,828,779**
027 – GROWTH MITIGATION FUND					
Capital & Outside Agencies	$ -	$ -	$ 105,000	$	$
Total Growth Mitigation Fund	**$ -**	**$ -**	**$ 105,000**	**$**	**$**
801 – CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ 8,910	$ 3,798	$ -	$	$
Total Capital Projects-General Fund	**$ 8,910**	**$ 3,798**	**$ -**	**$**	**$**
Total Administration	**$ 10,467,325**	**$ 9,857,390**	**$ 9,723,866**	**$ 12,426,800**	**$ 12,828,779**

FIRE OPERATIONS

Manages firefighting and emergency response services. Maintains a state of readiness for a prompt response to calls for service. Oversight of Emergency Medical Services, HazMat services, technical and water rescue services, and safety services. This is accomplished by utilizing modern and recognized fire suppression standards, extinguishing fires as early as possible to minimize loss of life, damage to property and the environment, and economic impacts upon the community. The objectives of this sub-program are to:

- Provide effective pre-hospital emergency medical services at the Emergency Medical Technician I level utilizing modern and recognized standards of care. Due to the Department's strategic deployment of resources and station locations, its prompt response times are generally equivalent to or better than the paramedic ambulances. This ensures effective delivery of definitive medical care in a pre-hospital setting and improves the quality of life as a result of improved patient outcomes.
- Provide effective scene management along with basic hazardous materials services at the first responder operational level to enable recognition and defensive protective actions until more technical services arrive on the scene. The Department will continue to work with other appropriate agencies and departments including Public Works and Police, to provide the most effective system for hazard mitigation relating to public and private property and the environment.
- Provide, under contract, Aircraft Rescue and Fire Fighting and airport inspection services to the Santa Maria Public Airport.
- Provide property conservation measures to the greatest extent possible during emergency incidents, including fires, storms, high winds, flooding, and other natural and man-made disasters.

Operations, Prevention & Reimbursable (0930, 0940, 0990)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 1,968,021	$ 1,343,588	$ 1,344,696	$ 1,232,285	$ 1,262,808
Services & Supplies	84,093	93,863	73,450	103,450	103,450

Operations, Prevention & Reimbursable (0930, 0940, 0990)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Capital & Outside Agencies	303,918	129,756	-	-	-
Total General Fund	**$ 2,356,031**	**$ 1,567,207**	**$ 1,418,146**	**$ 1,335,735**	**$ 1,366,258**
011 – MEASURE U FUND					
Salaries & Benefits	$ 6,004,943	$ 8,657,809	$ 10,413,780	$ 9,935,596	$ 10,551,545
Services & Supplies	661,206	1,070,389	1,101,570	1,668,970	1,668,970
Capital & Outside Agencies	569,816	1,080,539	5,845,000	-	-
Transfers	59,816	528,313	528,313	341,312	341,312
Total Measure U Fund	**$ 7,295,781**	**$ 11,337,050**	**$ 17,888,663**	**$ 11,945,878**	**$ 12,561,827**
Total Operations, Prevention & Reimbursable	**$ 9,651,812**	**$ 12,904,257**	**$ 19,306,809**	**$ 13,281,613**	**$ 13,928,085**

FIRE TRAINING

Provides mandated training to meet legislative requirements and instruction to broaden the organizational skill set. The objectives of this sub-program are to:

- Provide effective technical rescue services ensuring that personnel are trained and equipped in specialized operations including, vehicle extrication; confined space rescue; Urban Search and Rescue (USAR); shore-based water rescue; and trench rescue, by maintaining a cooperative effort with other participating agencies in the Counties of Santa Barbara, San Luis Obispo, and Ventura.
- Provide community-based fire protection through pre-incident planning, public education and training programs, as well as related non-emergency services.
- Ensure that all personnel are properly trained to recognize professional standards of competence in the diverse areas of fire and emergency service that are demanded by the community.

FIRE PREVENTION

Provides management of fire code enforcement and inspection services, performs plan checks, provides public fire safety and injury prevention education and information, and manages records. The objectives of this sub-group are to:

- Provide fire prevention services through public education and regular fire inspections of businesses and places of assembly. This is accomplished through a community-based partnership where the Department provides fire safety and disaster preparedness education and awareness, and community members apply those principles in their daily lives. The focus of this partnership includes school programs, participation in community events, and advisory visits to businesses.
- Provide fire cause and origin investigative services and, in concert with the Police Department and the District Attorney, develop criminal cases involving arson and other violations of law.
- Prevent or reduce the occurrence of hostile fires and other emergencies through the enforcement of State and local fire and life safety codes. This is accomplished through a plan review of new construction, tenant improvements, and related activities. Enforcement of fire and life safety codes is performed through the Department's hazard inspection and complaint program. Fire Prevention staff provides State-mandated inspections of multi-family residential units, including hotels, motels, apartments, and boarding houses per California Health and Safety Code. These activities are provided to the greatest extent possible within the fiscal limits established by the City.

EMERGENCY PREPAREDNESS

Maintains 24/7 operational readiness of the Emergency Operations Center (EOC) that supports all hazard incidents. Responsible for the overall coordination of resources, from multiple disciplines, in the operation and management of the EOC during an EOC activation and the recovery and reimbursement process. Participates in City homeland security objectives ensuring compliance with State and Federal emergency planning requirements, developing emergency plans, and providing training to personnel, residents, businesses, and volunteers. The objectives of this sub-group are to:

- Provide administration, coordination, collaboration, and management of the City's Emergency Operations Plan, Hazard Mitigation Plan, supporting documents, and the Integrated Regional Multi-Hazard Emergency Response Plan for the Cities of Santa Maria and Guadalupe.
- Provide appropriate management of the City's Emergency Operations Center (EOC), when activated.
- Provide administration, coordination, and management of Memorandums of Understanding and other cooperative instruments with the community and regional partners to further the goals of the program and support the preparedness, response, and recovery goals of the City.
- Provide exceptional public education and customer service to targeted community groups, and City staff, by utilizing available resources from all divisions of the Department and other allied agencies to teach fire safety and disaster preparedness including Community Emergency Response Training, Listos and "Ready" Santa Maria training, which is provided in both English and Spanish.
- Engage community partners through community collaborations, presentations, training, and exercises to support emergency and disaster preparedness. Provide opportunities for whole community engagement through the use of available resources from the department, and other agencies. Collaborate with regional partners to create, support, and implement shared emergency management goals and objectives.

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
DEMAND/WORKLOAD			
Emergency Calls for Service	22,092	25,166	27,682
Total Unit Responses	26,890	27,856	28,830
Fire Inspectors Response	108	79	80
Fire Inspections	989	864	900
Fire Investigations	39	148	160
Fire Suppression Training Hours	30,395	36,593	42,447
Mutual/Automatic Aid Given	424	832	1,000
Plan Checks	1,765	2,208	2,649
State Title 19 Inspections	93	133	150
CERT/Listos Program Participants	0	74	100
Life Safety Inspections – Assemblies	14	158	160
Life Safety Inspections – Hotels/Motels & Multi-family	639	630	635
EFFECTIVENESS/EFFICIENCIES			
Emergency Response (within 5:00 Minutes)	75.5%	74.8%	75.0%
Emergency Response (within 7:00 Minutes)	94.8%	93.5%	94.0%
Plan Check Turnaround (within 7 Days)	47.2%	56.4%	58.0%

UTILITIES DEPARTMENT

DEPARTMENT OVERVIEW

PURPOSE

The mission of the Department of Utilities is to provide efficient utility services through the use of progressive innovation, excellent customer service, and the wise use of public resources for the long-term benefit of the community. The Utilities Department is comprised of two operating divisions, Solid Waste and Water Resources, and one support division, Business.

The Water Resources Division is responsible for delivering potable water for residential, commercial, industrial, and institutional purposes, as well as fire protection, maintaining the sanitary sewer and storm sewer systems, and operating the Wastewater Treatment Plant. The Solid Waste Division is responsible for providing trash, mixed recycling, and organic waste recycling collection services for residential and commercial accounts within the City's service area, managing citywide street sweeping, and operating the Santa Maria Regional Landfill. The Business Division provides integral support to the two operating divisions, including customer support, department administration, financial management, and personnel management.

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
Long-Term Financial Sustainability	Initiate a cost-of-service study to update the Solid Waste Collections rate model consistent with the requirements of Proposition 218.
Community Quality of Life	For a safe environment, complete construction of the Flare Replacement Project under the PG&E Turnkey Project. This project is necessary to maintain compliance with CCR Title 27 regulations pertaining to landfill gas collection and management.
Planning and Infrastructure	Complete the design and environmental review for Public Works to bid a contract for the construction of the Cell 1 Phase II Liner Extension Project. This project is necessary to provide additional disposal capacity at the Santa Maria Regional Landfill and time to facilitate the design, permitting, and construction of the Los Flores Integrated Waste Management Facility.
	Perform a study to determine the preferred form of ammonia to be used in the City's disinfection process at the blending and disinfection facility. The study will consider cost, effectiveness, safety, and redundancy for the City's potable (drinking) water supply.
	Conduct an analysis of the percolation pond capacity at the Wastewater Treatment Plant to determine potential limitations of flows into the plant.
	Implement a Laboratory Information Management System to comply with permit requirements for reporting at the Wastewater Treatment Plant.
	Initiate an update the City's wastewater collections model to reflect current sewer flows.
Establish a Staffing Plan	Complete an organizational assessment in support of a comprehensive strategic workforce plan for the Utilities Department.

ACCOMPLISHMENTS

The Utilities Department's recent accomplishments include:

- Awarded Project Management Contract for development and implementation of a Time Schedule Compliance Plan to revise operations and upgrade the wastewater treatment plant.

- Completed the Proposition 218 process for water and sewer rates with approval of the rates by City Council.
- Leased and installed a modular building to facilitate additional workstations for Water Resources staff at the Wastewater Treatment Plant.
- Initiated an organizational assessment in support of a comprehensive strategic workforce plan.
- Negotiating a proposal for a space needs assessment and facilities planning project to consolidate the Utilities Department operating divisions and administration functions at the landfill site.
- Cleaned over 100 miles of sewer pipe and inspected over 10 miles of sewer pipe via video camera.
- Completed a fee study for disposal fees for the Santa Maria Regional Landfill with fees approved by City Council.
- Completed Cell 1 Liner Extension Phase II CEQA study and plans, specifications and estimate to provide additional time to permit the Los Flores Integrated Waste Management Facility.
- Executed an agreement for services for operations and management of the recycling park at the Santa Maria Regional Landfill to meet State-mandated diversion requirements and to allow the community to continue to maximize recycling efforts.
- Completed the design and environmental review for Public Works to bid a contract for the construction of a potable waterline to the Wastewater Treatment Plant.

NOTEWORTHY BUDGET HIGHLIGHTS

Not included in this cycle's budget but of importance moving forward is the evaluation of general benefit items currently charged to the Enterprise Funds that includes franchise fees, the backflow program, water in City parks, supplemental water sales to Orcutt, land use at the Blending/Disinfection Facility and Los Flores, cost allocation, utility billing staff time spent on non-Utilities tasks, and other items without a clear nexus to property-related fees.

Water

Due to the ongoing drought throughout California, the City's State Water allocation has been extremely low in recent years. This trend is expected to continue in the near term. This results in the City's increased reliance on groundwater supplies, which increases groundwater production and treatment costs, and it also requires, when available, the evaluation and purchase of supplemental water on the market to augment local supplies. The Department continues to identify and develop projects that provide additional resiliency for local groundwater supplies to safeguard the City's longstanding commitment of providing quality water to the Santa Maria community and associated costs are borne by the Water Enterprise Fund.

For this budget cycle, the following listing summarizes significant operating requirements (increases to base budget appropriations) for the Water Enterprise Fund:

- To ensure adequate funding for new, required professional services related to water operations, $585,000 to fund technical support to operate and maintain the SCADA system, perform meter testing for water loss monitoring as required by State regulations, perform EPA-required lead service line inventory and reporting, and conduct a feasibility study related to chemicals used at the blending/disinfection facility.

The following listing summarizes significant capital budget requirements for the Water Enterprise Fund:

- To ensure the continued reliability, resiliency, and safety of groundwater for consumption, $1,129,000 for well rehabilitation, placement of packers, and installation and implementation of new standardized well controls for eight wells; $3,500,000 for rehabilitation of reservoir storage and roof replacement; and $7,000,000 to construct a new water supply well to meet existing and future City water demands.
- To address a potential water quality issue, $795,000 to evaluate and then modify water mains identified in the Utilities Capacity Study for South Airport (Project B-3).
- To provide a comprehensive program to evaluate the City's entire water system including supply, production, treatment, and distribution, $885,000 to fund the development of a Water

Master Plan and capital improvement program to meet the current and future needs of the community based on projected growth. The City's last water master plan was completed in 1993.

- To ensure adequate funding to replace and repair infrastructure, $1,732,410 for water meter inventory, parts, and maintenance supplies to ensure proper consumption, billing, and reporting and $680,600 for water hydrant inventory, parts, and maintenance to ensure adequate supplies for operations.
- To provide a reliable and robust communication connection, $730,000 to fund the connection of dark fiber to eight water production well sites, allowing the City to move away from connection via radio transmission, which is less reliable.

Wastewater

In February 2022, the City's WWTP was enrolled under the Central Coast Regional Water Quality Control Board (RWQCB) General Permit. The City's WWTP cannot meet all the requirements of the General Permit and therefore the WWTP will require modifications. Meeting the new permit requirements has significant financial ramifications for the City and its ratepayers. During this budget cycle, the City will continue working with a technical firm to manage this significant program and its various components as well as to develop cash flow and funding scenarios to comply with the General Permit. Compliance with the General Permit also necessitates the development of a new Wastewater Master Plan to include evaluation of treatment alternatives and feasibility studies. Ultimately, this work will inform the release of a request for proposals for designs to modify the WWTP to treat wastewater to the standards required in the General Permit. The full scope of the modifications to the WWTP is not known currently. While it is not possible to accurately estimate the costs to achieve compliance, a program of this magnitude may have costs exceeding $300,000,000. As the new Wastewater Master Plan is developed and the necessary improvements for compliance are identified, a better understanding of overall costs will be achieved, as well as strategies for funding those costs. Costs associated with this undertaking will be borne by the Wastewater Enterprise Fund. The Department is estimating minimum appropriation requirements in the next budget cycle (2026-2028) of approximately $30,000,000 to continue this program.

For this budget cycle, the following listing summarizes significant operating requirements (increases to base budget appropriations) for the Wastewater Enterprise Fund:

- To increase capacity of the sludge drying beds at the WWTP, $366,200 to rent specialized dewatering equipment to mechanically dry the sludge, which is more efficient and cost-effective than waiting for sludge to dry, thereby increasing capacity to help accommodate increased sewer flows.

The following listing summarizes significant capital requirements (establishes budget) this budget cycle for the Wastewater Enterprise Fund:

- To ensure adequate sewer capacity for current conditions and future build-out scenarios, $16,000,000 to upgrade the sewer trunk lines identified in the Utilities Capacity Study for Dejoy Phase II Sewer Trunk Line (Project A-1), West Main Street Sewer Line (Project C-1), and West Main Sewer Truck Line (Project D-2).
- To meet General Order permit requirements mandated by the Central Coast RWQCB, $4,949,740 to fund professional services for various tasks that will inform project scope, design, and construction of the future WWTP.
- To meet the City's MS4 stormwater permit requirements mandated by the State Water Resources Control Board (SWRCB), $618,730 to fund the purchase and installation of trash capture devices in catch basins to keep litter and other debris from entering the storm drain system.
- To prevent corrosion and extend the life of the sewer manholes throughout the City, and to protect the integrity of public roadways, $510,000 to fund the City's sewer manhole maintenance program.
- To protect property at the WWTP and provide additional security to restrict access, $675,000 to purchase and construct a perimeter fence around the industrial site.

Solid Waste Collections

In mid-2020, the Department implemented the use of route optimization and customer service software for solid waste collections. This technology provides real-time operational and service status to increase efficiencies; optimizes operations and routing; monitors fleet performance; improves service and driver safety; and provides performance metrics and data to support diversion requirements and budget development. The use of the system since implementation has also provided more reliable data with respect to the number of customer accounts, resulting in more accurate numbers (not estimates) for use in developing operating budgets and reporting to regulatory agencies. In addition, the system helps the Department to verify that the collections services provided match the services being billed, ensuring more accurate revenue estimates.

For this budget cycle, the following listing summarizes significant operating requirements (increases to base budget appropriations) for the Collections Enterprise Fund:

- To meet the contractual obligations of the City's street sweeping contract, $83,101 to fund pricing increases for the next two years.
- To update the Solid Waste Collections rate model consistent with the requirements of Proposition 218, $75,000 to fund professional services.
- As a capital outlay cost-saving measure to reduce the purchase of new inventory, $294,800 for parts and materials to repair and refurbish existing commercial dumpsters.
- To continue to provide efficient collection services throughout the community, $73,000 to increase the base budget for support fees for the collection fleet and customer service software, Routeware.

The following summarizes significant capital requirements (establishes budget) this budget cycle for the Collections Enterprise Fund:

- To accommodate new account growth and replace those in the field that have exceeded their useful life, $4,869,400 for the purchase of carts and dumpsters used to collect trash, mixed recycling, and organics from City customers.

Solid Waste Disposal

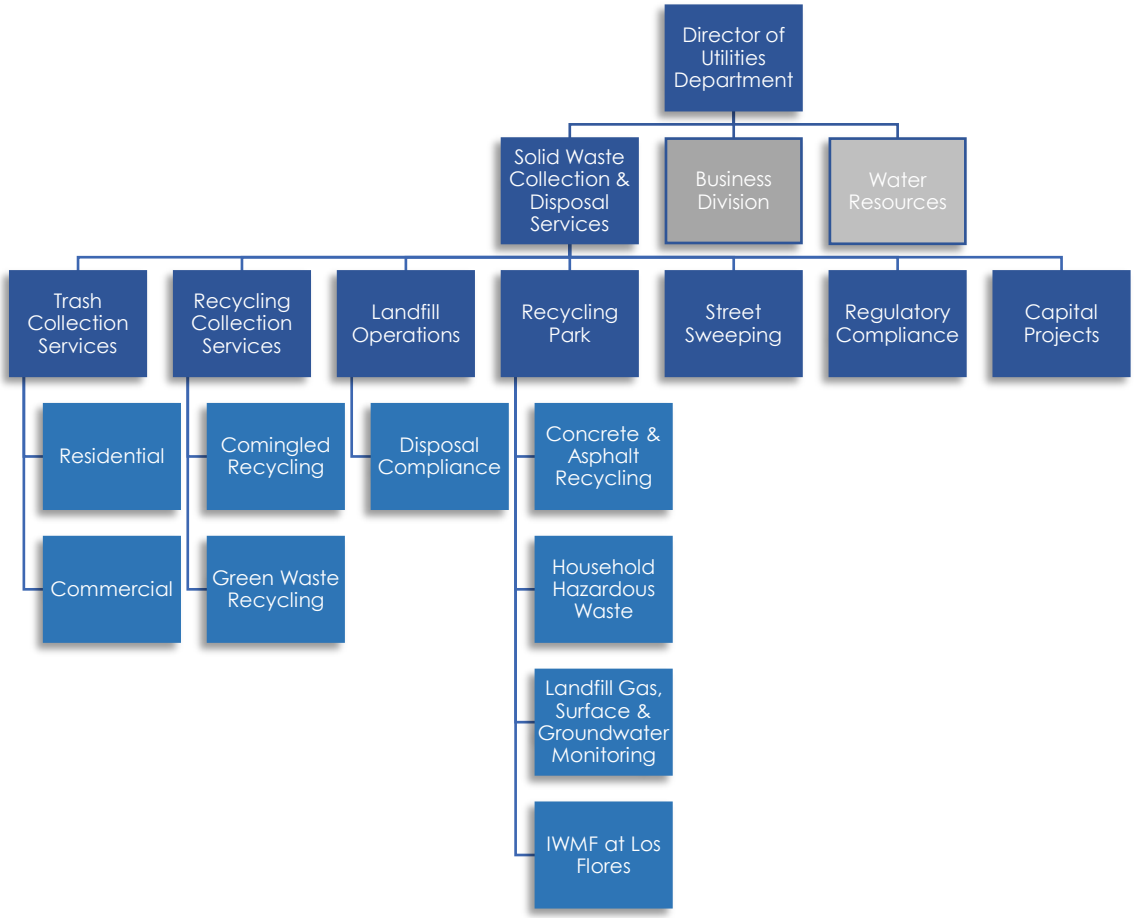
Disposal fees charged at the Landfill were adjusted in January 2024 to generate additional revenues necessary to help sustain the Solid Waste Disposal Fund for current expenses and prepare for future expenses. This increase in revenues also helps fund the expansion of capacity of the active disposal area at the Landfill, which defers capital expenditures in the tens of millions of dollars for the construction of the Integrated Waste Management Facility (IWMF) at Los Flores.

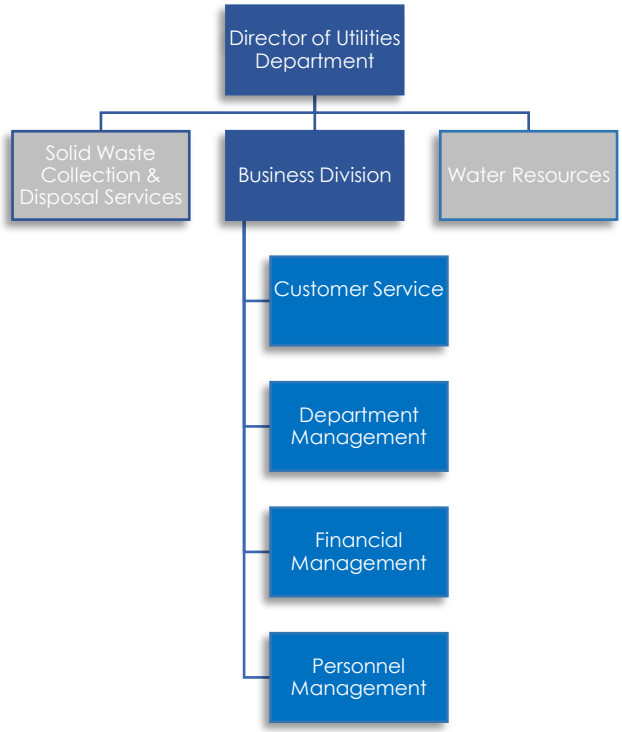
There are no significant operating requirements (increases to base budget appropriations) for the Disposal Enterprise Fund, however, for this budget cycle, the following listing summarizes significant capital requirements (establishes budget) for the Disposal Enterprise Fund:

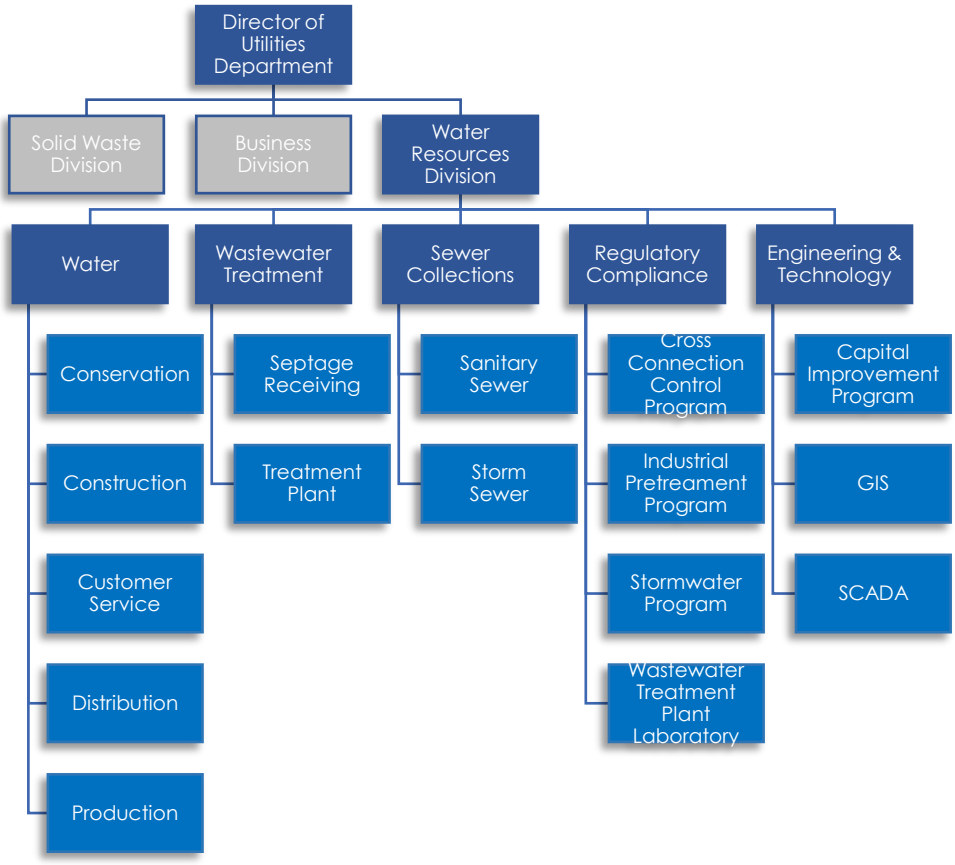
- To provide additional refuse disposal capacity at the active site and the time necessary for the design, permitting, and construction of the IWMF at Los Flores, $14,500,000 to fund the Cell 1 Phase 2 Liner Extension and $500,000 to fund the installation of eight landfill gas extraction wells associated with the Cell 1, Phase 1 Extension project.
- To ensure proper operations in compliance with regulatory requirements (California Code of Regulations [CCR] Title 27), $200,000 to fund the replacement of a seasonally dry groundwater monitoring well at the Landfill in order to perform groundwater sampling and $925,000 to fund river mining activities in the Santa Maria River for soil materials used in daily operations, which provides cost savings in lieu of importing cover soil for this use.
- To ensure the safety of the traveling public and City employees as well as protect existing roadways, $42,500 to fund asphalt repairs, slurry seal, and striping at the Landfill.

DEPARTMENT ORGANIZATION

A complete schedule of the Department's positions, summary of changes, and a detailed explanation of position changes can be viewed at the *Personnel* - Utilities on page 201.







BUDGET OVERVIEW

A comprehensive discussion of the adopted budget and long-term financial outlook is available in the *Five-Year Financial Plans* section of this document for the Water Resources and Solid Waste funds.

Budget Summary by Expenditure Category - All Funds

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
EXPENDITURE CATEGORY					
Salaries & Benefits	$ 9,479,839	$ 13,872,068	$ 15,982,512	$ 18,751,317	$ 19,810,547
Services & Supplies	30,372,243	38,443,390	37,032,152	37,461,771	37,090,381
Capital & Outside Agencies	12,756,087	23,014,522	54,230,670	61,095,280	53,408,180
Debt Service	4,586,373	1,377,925	3,623,350	3,622,100	3,625,600
Transfers	1,656,544	2,252,205	2,755,123	2,863,511	2,863,511
Total Budget	**$ 58,851,086**	**$ 78,960,110**	**$ 113,623,807**	**$ 123,793,979**	**$ 116,798,219**

Budget Summary by Fund

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
FUND					
002 – Water Fund	$ 16,976,649	$ 30,871,382	$ 51,072,000	$ 49,233,160	$ 52,308,159
004 – Wastewater Fund	5,432,466	11,466,953	23,710,338	14,095,837	24,078,611
003 – Solid Waste Collection Fund	16,847,702	17,251,627	23,518,676	22,709,219	22,884,810

Budget Summary by Fund					
	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
010 – Solid Waste Disposal Fund	19,589,438	19,026,485	14,792,793	31,088,763	14,573,919
027 – Growth Mitigation Fund	4,831	343,664	530,000	6,667,000	2,952,720
Total Budget	**$ 58,851,086**	**$ 78,960,110**	**$ 113,623,807**	**$ 123,793,979**	**$ 116,798,219**

DIVISION/PROGRAM BUDGETS

BUSINESS DIVISION

The Business Division in Utilities provides integral support to the Water Resources and Solid Waste Divisions. This includes customer support (customer service related to water, sewer and solid waste services), department administration (internal administrative functions), financial management (proformas and rate setting, budgeting, and grants management), and personnel management (organizational development, recruitment and training, and discipline and performance).

WATER RESOURCES

Water Resources consists of several distinct areas: water, wastewater treatment, sewer collections (sanitary sewer and storm sewer), regulatory compliance, and engineering related to capital projects and technology.

Water

The City is responsible for supplying over 22,700 customer accounts with potable water for domestic and industrial, landscape, and fire protection within the City's service area.

Water Conservation: The City maintains a robust year-round water conservation campaign that includes public education and community events, and a variety of outreach, including complimentary residential home water visits for City water customers to assess opportunities to save water.

Construction: Minor repairs of the water distribution system are performed by the in-house construction crew, including valve replacements, and fire protection purposes.

Customer Service: In-house staff perform technical and administrative support functions in the field and in the office related to customer service, meter reading, and billing of water. Fixed-base meter reading technology reduces meter-reading time and wasted water through leak detection.

Distribution: The City's water distribution system is comprised of 344 miles of water mains, 10,081 in-line and fire hydrant water valves, and approximately 3,600 fire hydrants. Distribution work includes preventative maintenance of the system, such as flushing or hydrants and water mains, valve turning, and repair and replacement of water meters.

Production: Drinking water is produced from imported State Water supplies and groundwater wells located throughout the Santa Maria service area. Six active wells and three reservoirs (with a modified capacity of 19 million gallons) can supply a peak demand of over 20 million gallons per day. For firefighting purposes, these wells and reservoirs can supply up to 6,000 additional gallons per minute for at least six hours. When State Water is not available in sufficient quantities, groundwater wells produce water to maintain the City's water supply. The Santa Maria Valley Groundwater Basin has ample resources to provide 100 percent of the City's water when necessary. In addition to groundwater wells and reservoirs, the City also operates and maintains a blending/disinfection facility. State Water and groundwater are blended at this facility before entering the City's water system, ensuring that the City's potable water supply meets safe drinking water standards. Additionally, the City provides water to the neighboring community of Nipomo in southern San Luis Obispo County, as required by the Santa

Maria Groundwater Litigation, also referred to as the Stipulation. The delivery of this water reduces local demand on the groundwater basin, improving the overall health of the aquifer.

Wastewater Treatment

The City is responsible for the treatment of domestic and industrial wastewater. This is accomplished by operating and maintaining a Grade 4 Wastewater Treatment Plant (WWTP) and ensuring treatable influent through the City's pretreatment program.

Septage Receiving: The WWTP accepts residential septage and portable toilet waste and allows haulers to dewater and store grease. More than 70 septage haulers are regulated under the City's Industrial Pretreatment Program.

Treatment Plant: The City treats and disposes of 7.31 million gallons of wastewater per day in conformance with the Central Coast RWQCB and Air Pollution Control District (APCD) regulations. The WWTP utilizes a two-stage trickling filter and has a current hydraulic capacity of 8.0 million gallons per day, which can serve a population of up to 120,000. After removing and treating approximately 90 percent of impurities, the remaining treated effluent percolates into the groundwater basin. To ensure the treatment of wastewater complies with the APCD and the Central Coast RWQCB standards, the WWTP operates within specific parameters. WWTP operations require appropriate conditions for complex biological populations to thrive. A preventive maintenance program extends the life of the wastewater facilities and consists of routine maintenance, such as lubrication, valve exercising, adjustments, and inspections on a daily, weekly, monthly, quarterly, semi-annual, and annual basis.

Sewer Collections

Sewage conveyed from privately maintained sewer laterals to City-maintained sewer mains is discharged to the WWTP. The goal of the City's sewer maintenance program is to minimize collection system overflows and to inspect the system to identify deficiencies and make repairs.

Sanitary Sewer: Maintenance and repairs of the sewer collection system are performed in compliance with the City's Sewer System Management Plan, as required by the State Water Resources Control Board (SWRCB). The City's goal is to hydraulically clean 100 of the 259 miles of sewer lines and video inspect 10 miles of sewer lines, annually. Sewer lines are videoed to identify system deficiencies (e.g., cracked pipes, line offsets, root intrusions, manhole deterioration). Some repairs are addressed by the City, with contractors completing larger repairs.

Storm Sewer: The City's storm sewer system includes drainage inlets, culverts, open-channel drainage ditches, and underground storm sewer that conveys stormwater to various retention and detention basins, which discharge to Santa Barbara County Flood Control and Water Conservation District facilities that can discharge to the Santa Maria River. The system helps prevent and control flooding within the City and promotes the recharge of underlying aquifers. The Utilities Department maintains the drainage inlets and storm sewer portions of the City's storm drainage system. To minimize flooding impacts, the City works with Santa Barbara County Flood Control and Water Conservation District, the agency responsible for the maintenance of the Santa Maria River Levee and larger stormwater conveyances and basins within the City.

Regulatory Compliance

The Regulatory Compliance section administers regulatory permits and programs related to water, wastewater, and stormwater. Staff performs sampling, laboratory tests, engineering calculations, site inspections, plan reviews, issues permits, monitors and enforces compliance with regulations, and reviews other environmental reports and documents to verify the City is operating within permit parameters. Monthly and annual reports are prepared in conformance with permitting agency guidelines, including the APCD, Certified Unified Program Agency (CUPA), Division of Drinking Water

(DDW), Department of Water Resources (DWR), Environmental Protection Agency (EPA), Central Coast RWQCB, and SWRCB.

Cross Connection Control Program: Backflow prevention assemblies protect the City's drinking water supply by preventing contamination caused by back siphonage from entering the water distribution system. All new assemblies are inspected and tested. Upon passing the testing requirements, the assemblies are then accepted into the City's cross connection program. The cross-connection program maintains the database for all backflow assemblies and issues and tracks the annual test and maintenance reports for all assemblies. The database monitors more than 3,300 backflow prevention assemblies at more than 1,260 locations (e.g., churches, schools, and businesses) and is utilized to send annual notices and enter test results for all assemblies. The City works with certified backflow prevention testers, regulated businesses, and developers, as well as State regulators, to monitor compliance.

Industrial Pretreatment Program: The Industrial Pretreatment Program protects the City's sewer collection system and WWTP by regulating over 370 businesses within the City, ensuring compliance with all Federal, State, and local regulations. Routine pretreatment operations include permit application review and permit issuance, data review, plan review, inspections, sampling and monitoring, and communication with businesses and Federal and State regulators. The City issues permits to waste haulers that use the septage receiving station and tracks septage quantities received for billing purposes.

Stormwater Program: The National Pollutant Discharge Elimination System-Phase II Permit regulates the City's stormwater activities. As part of the Phase II Permit, the SWRCB adopted the General Permit for the Discharge of Stormwater from Small MS4s (WQ Order No. 2013-0001-DWQ) (General Permit). The General Permit requires the development and implementation of a stormwater program to reduce pollutant discharges to the maximum extent practicable. The main elements of the General Permit are education and outreach; public involvement and participation; illicit discharge detection and elimination; construction site stormwater runoff control; pollution prevention and good housekeeping; post-construction stormwater management; water quality monitoring; and program effectiveness assessment and improvement. Along with the implementation of the main elements of the Stormwater Program, preparation of in-depth documentation, analysis and reports, facilitation of multi-jurisdictional meetings and workshops, and contact with businesses, contractors, developers, and Federal, State, and local regulators are required. The Department facilitates the City's compliance with the General Permit through coordination with other City Departments and completing reporting requirements.

WWTP Laboratory (Certification No. 1083): The onsite laboratory at the WWTP is certified in wastewater analysis by the SWRCB Environmental Laboratory Accreditation Program (ELAP). The laboratory's main function is to analyze wastewater samples to determine compliance with the WWTP permit requirements. Additional functions are to analyze samples for WWTP process control and the Industrial Pretreatment Program. The laboratory also facilitates, coordinates, and reports on all potable water analyses, contracting with a commercial certified laboratory for all required drinking water analyses.

Engineering & Technology

Engineering: In-house staff manages the Capital Improvement Program for Water Resources and plans, develops, and delivers various engineering projects to meet the water and sewer infrastructure needs of the City. As staffing allows within the Engineering Division of the Public Works Department, the coordination and/or delivery of other capital and public works projects also occurs.

Technology: In-house staff manages geographic information systems (GIS) technology to provide technical support to Utilities staff. This work includes field data collection and utility mapping, applying GIS technology to develop and integrate workflows, and developing maps, geo-datasets, graphics, displays, tables, and reports to provide geospatial data for decision-making in the Department, and for effective coordination with the City's Information Technology Division. In addition, in-house staff manages the supervisory control and data acquisitions (SCADA) systems used in water and wastewater treatment to ensure that overall water quality is consistent and in compliance with State and Federal regulations. The use of SCADA allows for real-time data analysis and security, automation efficiencies, and reduced costs.

Water Resources (1143, 1144, 1160, 1180)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
002 – WATER FUND					
Salaries & Benefits	$ 1,677,258	$ 3,342,698	$ 3,924,522	$ 4,942,566	$ 5,236,455
Services & Supplies	5,680,398	6,259,255	7,111,776	7,357,561	7,084,071
Capital & Outside Agencies	4,443,808	19,170,322	35,421,500	32,177,060	35,228,160
Debt Service	4,586,373	1,377,925	3,623,350	3,622,100	3,625,600
Transfers	588,812	721,182	990,852	1,133,873	1,133,873
Total Water Fund	**$ 16,976,649**	**$30,871,382**	**$ 51,072,000**	**$ 49,233,160**	**$ 52,308,159**
004 – WASTEWATER FUND					
Salaries & Benefits	$ 887,120	$ 4,180,020	$3,380,184	$ 4,297,016	$ 4,539,440
Services & Supplies	3,620,405	4,316,565	5,116,754	5,119,467	5,079,477
Capital & Outside Agencies	624,774	2,536,062	14,724,170	4,248,140	14,028,480
Transfers	300,167	434,306	489,230	431,214	431,214
Total Wastewater Fund	**$ 5,432,466**	**$ 11,466,953**	**$ 23,710,338**	**$ 14,095,837**	**$ 76,386,770**
027 – GROWTH MITIGATION FUND					
Capital & Outside Agencies	$ 4,831	$ 201,852	$ 530,000	$ 2,400,000	$ 2,952,720
Total Growth Mitigation Fund	**$ 4,831**	**$ 201,852**	**$ 530,000**	**$ 2,400,000**	**$ 2,952,720**
Total Water Resources	**$ 22,413,946**	**$ 42,540,187**	**$ 75,312,338**	**$ 65,727,198**	**$ 79,345,409**

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
WATER			
DEMAND/WORKLOAD			
Number of Water Accounts	22,657	22,817	23,043
Water Demand (acre-feet)	12,582	12,757	13,273
Total Miles of Pipe	344	344	350
Total Number of Valves	10,081	10,081	10,282
Total Number of Fire Hydrants	3,590	3,598	3,670
EFFECTIVENESS/EFFICIENCIES			
State Water Received (acre-feet)	1,571	3,322	9,273
Well Water Pumped (acre-feet)	11,010	9,435	4,000
Total Number of Valves Exercised	1,755	4,052	4,153
WASTEWATER			
DEMAND/WORKLOAD			
Number of Sewer Accounts	20,155	21,323	21,537
Average Wastewater Flow (MGD*)	7.31	7.84	7.99
EFFECTIVENESS/EFFICIENCIES			
Average Effluent BOD^ Permitted (60 mg/L)	45	52	72
Maximum Effluent BOD^ Permitted (100 mg/L)	54	75	75
Average TSS^^ Permitted (60 mg/L)	37	42	41
Maximum TSS^^ Permitted (100 mg/L)	44	58	58
SEWER / STORM SEWER			
DEMAND/WORKLOAD			
Total Miles of Sewer Main	253	259	264
Total Miles of Storm Sewer	130	130	132
Total Number of Manholes	4,912	5,141	5,243

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
EFFECTIVENESS/EFFICIENCIES			
Total Miles of Sewer Mains Cleaned	112	150	153
Total Miles of Sewer Mains Videoed	15	16	16
Total Number of Sewer Repairs Completed	48	45	55

^ Actual and Estimated reflect Carbonaceous Biochemical Oxygen Demand (CBOD). Projected reflects Biological Oxygen Demand (BOD) in accordance General Permit requirements (2023).
^^ TSS refers to Total Suspended Solids.
* Actual reflects Fiscal Year 2021/2022.
** Estimated reflects Fiscal Year 2023/2024.
*** Projected reflects Fiscal Year 2025/2026.

STATE WATER

This supplemental information is presented concerning the costs of importing water, including State Water costs and Dry Year Water Purchases.

1. *How much does State Water cost?*

	Actual FY 2022-23	Adopted FY 2023-24	Estimated FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Central Coast Water Authority	$ 18,734,116	$ 24,600,000	$ 20,592,021	$ 20,872,644	$ 22,992,776
State Water Debt Service	1,587,704	3,623,350	3,623,350	3,622,100	3,625,600
Total Cost of State Water	**$ 20,321,820**	**$ 28,223,350**	**$ 24,215,371**	**$ 24,494,744**	**$ 26,618,376**
Dry Year Water Purchases	$ -	$ 2,265,000	$ -	$ 2,355,600	$ 2,438,046

The City receives State Water from the Central Coast Water Authority (CCWA). The costs include expenses for the infrastructure to deliver the water, as well as the costs for water treatment and delivery. The CCWA provides estimated costs to the City for inclusion in the City's Budget.

The City issued bonds to pay for portions of State Water infrastructure, in addition to local improvements for the delivery of State Water. The bond costs are also considered a portion of State Water Costs. The debt service for the bonds continues through 2035-36.

The Dry Year Water Purchases line item is budgeted each year so the City has funds available should there be a need to supplement its State Water allocation with additional water purchased on the open market. The water acquired through Dry Year Water Purchases is treated and delivered through the CCWA.

2. *What are the long-term financing obligations related to State Water?*

   The table below provides estimated obligations for 10 years following the 2023-24 Budget.

FISCAL YEAR ENDING JUNE 30	CENTRAL COAST WATER AUTHORITY	STATE WATER DEBT SERVICE	TOTAL COST OF STATE WATER
2024	20,592,021	3,623,350	24,215,371
2025	20,872,644	3,622,100	24,494,744
2026	22,992,776	3,625,600	26,618,376
2027	23,829,930	3,623,350	27,453,280
2028	24,245,965	3,625,350	27,871,315
2029	25,051,098	3,626,100	28,677,198
2030	25,509,048	3,625,350	29,134,398
2031	25,430,442	3,622,850	29,053,292
2032	26,160,501	3,623,350	29,783,851
2033	27,287,319	3,622,750	30,910,069

The above cost estimates are provided to the City by the CCWA through 2033. The debt service payment reflects scheduled obligations to repay the refunded 2021A Water Resources Certificates of

Participation in accordance with the aggregate debt service schedule. The Utilities Department continues to review long-term projections of revenues for all water-related expenses, including imported water costs.

SOLID WASTE

Solid Waste consists of several distinct areas: collections operations (refuse [trash], mixed recycling, and organic waste recycling), landfill operations, street sweeping, regulatory compliance, and engineering.

Collections Operations

The City continues to vigilantly monitor, evaluate, and implement regulations related to solid waste collections, including Assembly Bill 341 Mandatory Commercial Recycling, Assembly Bill 1826 Mandatory Commercial Organics Recycling, and Senate Bill 1383 Short-Lived Climate Pollutant Reduction, which requires a significant reduction in organic waste and the recovery of edible food waste for human consumption, including development and implementation of an edible food recovery program. This regulation expanded organics recycling mandates to all residential properties, a significant change from Assembly Bill 1826, which only required organics recycling for commercial customers.

Recycling Services: The City's mixed recycling program began in the 1990s and includes collecting, transporting, and processing mixed recyclable materials collected from City customers. Recycling materials are hauled to a regional transfer station before being sent for processing. In 2023, the City diverted over 10,500 tons of mixed recycling from residential and commercial customers.

The City's residential green waste program began in 2011 with the biweekly collection of green waste (wood waste, grass clippings, flowers, etc.). In 2016, the City's commercial food waste recycling program began with weekly pickups, and in 2021, the residential food waste recycling program began with a biweekly pilot program. The pilot program expanded citywide in 2022 to comply with Senate Bill 1383. Today, the City diverts all organic waste (green waste and food waste) by sending it to a local composting facility for reuse. In 2023, the City diverted over 8,500 tons of organic waste from residential and commercial customers.

Trash Service: Residential trash collection utilizes fully automated side-loading vehicles to provide weekly collection of 60- or 90-gallon containers for approximately 20,000 residential customer accounts. Residential trash is collected five days a week and transported to the Santa Maria Regional Landfill for disposal. Commercial trash collection utilizes front-loading vehicles to provide weekly collection of dumpsters for nearly 1,800 commercial customer accounts, which includes commercial, business, and multi-family properties. Commercial trash is collected six days a week and transported to the Landfill for disposal. In 2023, the City collected over 70,000 tons of trash from residential and commercial customers.

Landfill Operations

The Santa Maria Regional Landfill provides solid waste disposal and recycling services to northern Santa Barbara County and southern San Luis Obispo County. In 2023, the landfill processed over 100,000 transactions and accepted approximately 353,800 tons of material. Of that total, approximately 23,800 tons were Non-hazardous Hydrocarbon Impacted Soils (NHIS) utilized to help expedite the annual rolling closure of the landfill, over 89,000 tons were utilized as onsite beneficial reuse, more than 85,000 tons were recycled, and approximately 156,000 tons were buried, resulting in the City diverting approximately 44 percent of its waste stream for 2023.

Business and Household Hazardous Waste Programs: The landfill operates a Conditionally Exempt Small Quantity Generator (CESQG) Program at the Household Hazardous Waste Collection Facility located onsite, allowing businesses and non-households that generate up to 220 pounds of hazardous waste per month or 2.2 pounds of acutely hazardous waste per month to schedule appointments for the safe disposal of such waste.

Operations of the Household Hazardous Waste Collection Facility include the collection, categorization, packing, and packaging of all household chemicals and wastes for shipment to other off-site facilities. Households using the free facility for the safe disposal of such waste are limited to 125 pounds dry waste or 15 gallons per trip.

Landfill Gas, Surface, and Groundwater Monitoring: The landfill gas collection system has expanded to more than 116 gas collection wells and almost six miles of landfill gas conveyance header lines. The wells are analyzed monthly, along with quarterly monitoring of 71 perimeter gas probes. The wells extract landfill gas (primarily composed of methane) produced from organic refuse decomposing, while perimeter gas monitoring probes verify gas does not migrate offsite. Landfill gas is transported through gas lines to the onsite power generation facility, and from there, to Marian Regional Medical Center's cogeneration facilities to generate electricity. In the case where one or both facilities are down, the landfill gas is directed to onsite flares. The system is monitored and maintained for optimal operating performance. Semi-annual and annual reports are submitted to the APCD.

Surface monitoring verifies landfill gas is directed to flares and/or the power generation facility rather than to the atmosphere. Every quarter, surfaces are monitored for methane emissions and results are submitted in semi-annual and annual reports to regulatory agencies.

More than two dozen groundwater monitoring wells and half a dozen piezometers are monitored and sampled quarterly. These wells monitor the condition of the upgradient and downgradient groundwater around the Landfill. All operations and analytical results are reported on a semi-annual and annual basis to the Central Coast RWQCB.

Recycling Park: The Recycling Park at the Landfill diverts appliances, metals, cardboard, tires, green waste, wood waste, electronic waste, construction and demolition materials (i.e., drywall, roofing shingles), inert materials (i.e., brick, tile, porcelain), and mattresses. In 2023, the Recycling Park diverted more than 14,500 individual mattresses and/or box springs.

Integrated Waste Management Facility at Los Flores: The City intends to construct and operate the IWMF at Los Flores. The IWMF, a Class III Landfill, will receive waste from urban and the rural areas of northern Santa Barbara County, with the capacity to receive waste from southern Santa Barbara County as necessary. The IWMF will service self-haulers, commercial vehicles such as solid waste collection vehicles, roll-offs, and walking-floor customers. The IWMF will be constructed in four major phases on a 1,774-acre site located in a rural area without residences in proximity. The IWMF is anticipated to be ready to accept solid waste by 2032 and will include support facilities and utilities.

Street Sweeping

Street sweeping is conducted in compliance with the City's MS4 stormwater permit requirement from the Central Coast RWQCB. This function also improves the appearance, safety, and health of the City through regular street and gutter line sweeping. Residential streets and paved alleys are swept biweekly, commercial streets are swept weekly, and 20 acres of City-owned parking facilities are swept monthly, totaling over 16,500 curb miles of City streets swept annually.

Regulatory Compliance

The Regulatory Compliance sections administer regulatory permits and programs related to Landfill operations (disposal compliance) and solid waste collections (recycling diversion). Monthly, quarterly, semi-annual, and annual reports are prepared in conformance with permit guidelines. For disposal compliance, laboratory tests, engineering calculations, site inspections, and other environmental monitoring is conducted to verify that the City is operating within permit parameters. For recycling diversion, audits and site inspections are conducted, and education and outreach efforts are implemented, monitored, and reported in compliance with various regulations. This includes the

significant tracking of diversion numbers from outside haulers related to organics, recycling, and concrete and demolition materials, which totaled nearly 40,000 additional tons of diverted materials in the community in 2022.

Engineering

In-house staff plans, develops, and delivers various capital projects (including liner construction, landfill gas expansion, and groundwater protection systems) to meet the solid waste needs of the City. As staffing allows within the Engineering Division of the Public Works Department, the coordination and/or delivery of other capital and public works projects also occurs.

In addition, in-house staff utilizes a drone surveying solution and data processing, visualization, and analysis software to support landfill management activities. This includes supporting construction efforts at the current landfill and the future site at Los Flores, as well as developing fill plans for landfill cells, creating topography maps, and tracking resources, among other uses.

Solid Waste (1152, 1153, 1154, 1155, 1156)
Summary by Fund

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
003 – SOLID WASTE COLLECTION FUND					
Salaries & Benefits	$ 4,378,720	$ 2,528,143	$ 4,869,153	$ 5,373,013	$ 5,688,881
Services & Supplies	11,725,190	13,647,822	15,079,806	15,416,828	15,336,131
Capital & Outside Agencies	358,869	486,469	2,880,000	1,258,400	1,198,820
Transfers	384,922	589,193	689,717	660,978	660,978
Total Solid Waste Collection Fund	**$ 16,847,702**	**$ 17,251,627**	**$ 23,518,676**	**$ 22,709,219**	**$ 22,884,810**
010 – SOLID WASTE DISPOSAL FUND					
Salaries & Benefits	$ 2,536,741	$ 3,821,207	$ 3,808,653	$ 4,138,722	$ 4,345,771
Services & Supplies	9,346,250	14,219,749q	9,723,816	9,567,915	9,590,702
Capital & Outside Agencies	7,323,804	478,005	675,000	16,744,680	-
Transfers	382,643	507,524	585,324	637,446	637,446
Total Solid Waste Disposal Fund	**$ 19,589,438**	**$ 19,026,485**	**$ 14,792,793**	**$ 31,088,763**	**$ 14,573,919**
Total Solid Waste	**$ 36,437,140**	**$ 36,278,112**	**$ 38,311,469**	**$ 53,797,982**	**$ 37,458,729**

Solid Waste (1152, 1153, 1154, 1155, 1156)
Summary of Service Programs

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
PROGRAM					
1153 – Refuse Collection – Residential	$ 6,454,408	$ 6,942,829	$ 9,631,727	$ 9,425,357	$ 9,550,465
1154 – Refuse Collection – Commercial	6,938,224	6,854,674	7,891,045	7,633,453	7,710,488
1155 – Street Sweeping	712,793	803,948	795,933	842,281	823,050
1156 – Recycling	2,742,276	2,650,17	5,199,971	4,808,129	4,800,807
Total Solid Waste Collection	**$ 16,847,702**	**$ 17,251,627**	**$ 23,518,676**	**$ 22,709,219**	**$ 22,884,810**
Refuse Disposal	$ 19,589,438	$ 19,026,485	$ 14,792,793	$ 31,088,763	$ 14,573,919
Total Solid Waste Disposal Fund	**$ 19,589,438**	**$ 19,026,485**	**$ 14,792,793**	**$ 31,088,763**	**$ 14,573,919**
Total Solid Waste	**$ 36,437,140**	**$ 36,278,112**	**$ 38,311,469**	**$ 53,797,982**	**$ 37,458,729**

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
REFUSE COLLECTION / RESIDENTIAL			
DEMAND/WORKLOAD			
Total Accounts Serviced	18,928	19,307	19,693
Total Tons Collected	31,143	31,968	32,608
Total Loads Hauled	4,258	4,188	4,272
EFFECTIVENESS/EFFICIENCIES			
Tons Per Account	1.65	1.66	1.66
Tons Per Load	7.31	7.63	7.63
REFUSE COLLECTION / COMMERCIAL			
DEMAND/WORKLOAD			
Total Accounts Serviced	1,245	1.270	1,295
Total Tons Collected	37,993	38,689	39,463
Total Loads Hauled	4,891	5,094	5,196
EFFECTIVENESS/EFFICIENCIES			
Tons Per Account	30.52	30.46	30.47
Tons Per Load	7.77	7.59	7.59
RECYCLING COLLECTION / RESIDENTIAL			
DEMAND/WORKLOAD			
Total Accounts Serviced	18,926	19,305	19,691
Total Tons Collected	5,008	4,776	4,872
Total Loads Hauled	1,476	629	642
EFFECTIVENESS/EFFICIENCIES			
Tons Per Account	0.26	0.25	0.25
Tons Per Load	3.39	7.59	7.59
RECYCLING COLLECTION / COMMERCIAL			
DEMAND/WORKLOAD			
Total Accounts Serviced	856	873	891
Total Tons Collected	5,855	5,794	6,370
Total Loads Hauled	1,524	722	737
EFFECTIVENESS/EFFICIENCIES			
Tons Per Account	6.84	6.64	6.63
Tons Per Load	3.84	8.02	8.02
ORGANICS RECYCLING COLLECTION / RESIDENTIAL			
DEMAND/WORKLOAD			
Total Accounts Serviced	18,918	19,296	19,682
Total Tons Collected	6,806	7,912	8,030
Total Loads Hauled	1,003	1,131	1,148
EFFECTIVENESS/EFFICIENCIES			
Tons Per Account	0.36	0.41	0.41
Tons Per Load	6.79	6.99	6.99
ORGANICS RECYCLING COLLECTION / COMMERCIAL			
DEMAND/WORKLOAD			
Total Accounts Serviced	174	177	181
Total Tons Collected	498	759	774
Total Loads Hauled	155	174	177
EFFECTIVENESS/EFFICIENCIES			
Tons Per Account	2.86	4.29	4.28
Tons Per Load	3.21	4.28	4.37
CITYWIDE STREET SWEEPING			
DEMAND/WORKLOAD			

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
Total Number of Loads	978	1,503	1,533
Total Street Sweeping Tonnage	2,911	4,545	4,635
EFFECTIVENESS/EFFICIENCIES			
Total Curb Miles Swept	16,572	16,572	16,572
Operating Cost Per Curb Mile	3.90	4.07	4.22

PUBLIC WORKS DEPARTMENT

DEPARTMENT OVERVIEW

PURPOSE

The Department of Public Works/Engineering is responsible for ensuring that City-owned transportation infrastructure and facilities, transit services and capital improvement programs are designed, engineered, constructed, maintained and/or modified in a presentable and safe condition. The department coordinates a variety of activities and services including the preparation of plans and specifications for public works related construction projects; the design and inspection of public facilities; ensuring the proper installation of all public improvements made in new subdivisions, such as streets, curbs, gutters, sidewalks, water mains, sewer lines, and drainage; and provides custodial service to City facilities. The Streets division is responsible for preventive and regular maintenance of streets and appurtenant facilities. Santa Maria Regional Transit (SMRT) system provides a regional public transportation service.

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
Long-Term Financial Sustainability	Coordinate with the Santa Barbara County Association of Governments (SBCAG) to discuss funding opportunities to enhance City of Santa Maria infrastructure.
Community Quality of Life	Complete Downtown Frontage Improvements utilizing Measure A Active Transportation funding.
Planning and Infrastructure	Deploy and utilize new asphalt equipment grinder and paver to perform enhanced maintenance on local roadways.
Organizational Well-Being	During the upcoming fiscal year, our Fleet Services Division aims to establish and successfully launch the Central Coast Fleet Club.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
New Approach to Economic Development	Develop a comprehensive Fleet Replacement Plan for the municipal fleet, establishing annual electric vehicles (EVs).
Provide Youth Opportunities	Foster strong community engagement for an inclusive public transit system.
Provide Public Safety Resources	Deploy a Computerized Maintenance Management System (CMMS) for Streets personnel to efficiently monitor maintenance requests from residents concerning asphalt, concrete, street lighting, traffic signals, RAW weed abatement, signs, and paint.
Establish a Staffing Plan	Fulfill recruitments to become fully staffed organization.

ACCOMPLISHMENTS

The Public Works Department celebrates the following recent accomplishments:

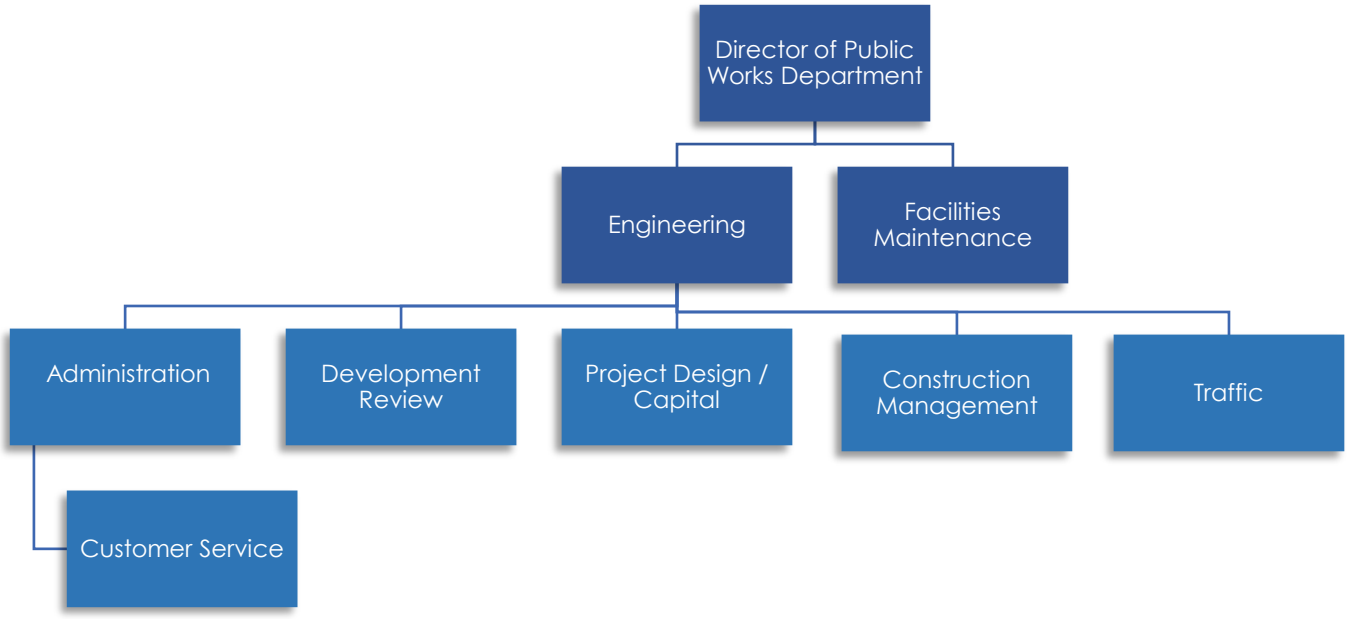
- Finalized Team Dynamics implementation for management of sidewalk pavement for pedestrians.
- Design and begin construction on the Battles Path improvements, to improve public access to recreation facilities
- Completed crosswalk safety improvement plan for all crosswalks near schools, while utilizing innovative design approaches to solving issues.
- Updated City specifications and drawings, ensuring the information is easily accessible online, to support efforts to streamline online permitting.
- Continuing to Standardize internal templates, Standard Operating Procedures (SOPs), and filing systems to streamline administrative operations, and minimize miscommunications.

- Continuing to work with regional partners to leverage funds, identify and address gaps, and enhance regional transit service to improve interconnectivity between educational, medical, employment, and commercial centers located in Santa Maria and outlying communities.

NOTEWORTHY BUDGET HIGHLIGHTS

- Replace conventional internal-combustion-engine-powered vehicles when suitable EV or ZEV options are available with equivalent operational capability. Within the fleet inventory are 27 vehicles and equipment due for replacement during the 2024-26 two-year budget cycle.
- Meet fleet operational and service needs as the City's fleet inventory continues to increase in size, currently totaling 475 vehicles and equipment.
- Addition of one Equipment Mechanic I/II at approximately $244,288 in the two-year budget cycle. As the City's fleet grows, this role will perform required maintenance and repair of fleet vehicles and equipment.
- Staff is recommending the purchase of two new street vehicles for approximately $252,000 over two years. Procurements include a Stencil Truck to expedite markings of stop bars, red curbs, crosswalks, yields and other city markings and an On-call Emergency Trailer for emergency services such as traffic accidents, ensuring safety when a streetlight has been knocked down, closure of roads for the Police Department and storm flooding.
- Increasing asphalt budget for supplies to operate the Asphalt Grinder and Skid Steer that mounts the asphalt grinder and paver.
- Continue to install energy-efficient LED street lighting in deficient areas of the City. Enhanced lighting will improve visibility, safety, and quality of life.
- Continue to support the Santa Barbara Bicycle Coalition in its outreach efforts to educate the public about bicycle safety and repair services.
- Increase Streets Division by one position of a Public Works Operations Streets Manager. The Public Works Operations Streets Manager will oversee asphalt, concrete, weed abatement, street and signal lights, as well as paints and signs. This new position is essential to efficiently manage the growing demands of the city's infrastructure. This approach ensures specialized expertise, streamlined coordination, responsiveness to city needs, and ultimately, improved safety and quality of life for residents. Public Works Operations Streets Manager will oversee two Streets Maintenance Supervisors (Asphalt and Concrete).
- Public Transit Division 066 account budget reductions are primarily reflected in the Fuel and Lubrication account. With SMRT's transition to electric vehicles, the Division anticipates a reduction in fuel costs. Business Expense and Training and Publications account funds were reduced due to a reduction of use.
- Public Transit Division 067 fund budget is being restructured due to the Breeze consolidation. Transit will be moving funds from several of the 067 accounts.
- The California Air Resources Board (CARB) is charged with protecting the public from harmful effects of air pollution and developing programs and actions to fight climate change. In December 2018, CARB adopted the Innovative Clean Transit (ICT) Regulation, which requires all public transit agencies in the State to gradually transition to 100 percent zero-emission bus fleets by 2040. SMRT is currently completing its own zero-emissions bus rollout through the procurement of five additional electric buses and during the Fiscal Year 2024-26 funding cycle. This will result in improved air quality, less noise, improved aesthetics, less maintenance, and improved reliability.
- Transit Center Optimization project has begun the beginning phases of conceptual designs. This is projected to break ground this Fiscal Year 2024-25. The primary focus is to add charging stations, to optimize the time buses spend at the transit center by being able to charge while buses are stopped at the transit center. We also plan to configure the lot in a more efficient layout to accommodate additional buses.

DEPARTMENT ORGANIZATION



A complete schedule of the department's positions, a summary of changes, and a detailed explanation of position changes can be viewed at *Personnel - Public Works* on page 195.

BUDGET OVERVIEW

Budget Summary by Expenditure Category - All Funds

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
EXPENDITURE CATEGORY					
Salaries & Benefits	$ 6,787,563	$ 7,226,064	$ 9,046,788	$ 10,381,905	$ 10,973,842
Services & Supplies	11,486,116	14,174,064	16,217,874	17,184,834	16,814,413
Capital & Outside Agencies	9,613,710	9,463,810	41,106,782	26,531,412	26,409,909
Debt Service	148,833	7,076	83,449	83,450	-
Transfers	1,450,148	1,484,337	2,284,337	2,724,792	2,724,792
Total Budget	**$ 29,486,369**	**$ 32,355,352**	**$ 68,739,230**	**$ 56,906,393**	**$ 56,922,956**

Budget Summary by Fund

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
FUND					
001 - General Fund	$ 3,270,457	$ 3,725,348	$ 4,873,576	$ 5,392,822	$ 5,665,389
007 - Fleet Services Fund	8,295,910	4,261,987	15,990,585	14,537,549	8,697,649
027 - Growth Mitigation Fund	402,374	150,905	3,257,295	1,500,000	2,000,000
063 - Gas Tax and Transportation Development Act Fund	4,100,394	6,873,374	6,953,262	6,151,677	6,066,045
064 - Developer / Grant Street Projects Fund	1,020,134	195,023	2,090,060	1,977,000	6,818,000

Budget Summary by Fund	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
066, 067 - Public Transit Funds	7,573,204	9,506,731	19,091,609	15,638,045	16,224,857
068 - Measure A Fund	4,548,218	6,191,685	8,398,204	8,551,450	9,201,358
801 – Capital Projects-General Fund	275,679	1,450,300	8,084,639	3,157,850	2,249,658
Total Budget	**$ 29,486,369**	**$ 32,355,352**	**$ 68,739,230**	**$ 56,906,393**	**$ 56,922,956**

Budget Summary by Program - All Funds	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
PROGRAM					
General Government					
1110, 1120, 1130 - Engineering & Facilities Maintenance	$ 3,546,135	$ 5,175,648	$ 12,958,215	$ 8,550,672	$ 7,915,047
Internal Services					
1410 - Fleet Services	8,295,910	4,261,987	15,990,585	14,537,549	8,697,649
Public Ways & Facilities					
1141, 1145, 1147, 1148 - Street Maintenance	9,668,746	13,260,082	18,698,821	16,680,127	22,085,403
1170, 1171, 1172, 1174, 1179, 1183 - Public Transit	7,573,204	9,506,731	19,091,609	15,638,045	16,224,857
Special Revenues					
1650 - Growth Mitigation	402,374	150,905	2,000,000	1,500,000	2,000,000
Total Budget	**$ 29,486,369**	**$ 32,355,352**	**$ 68,739,230**	**$ 56,906,393**	**$ 56,922,956**

DIVISION/PROGRAM BUDGETS

GENERAL GOVERNMENT: ENGINEERING & FACILITIES MAINTENANCE

The Engineering and Facilities Maintenance Divisions of the Public Works Department coordinate a variety of capital and maintenance-related activities and services for the City. The Engineering Division is responsible for design and construction of new public infrastructure including the preparation of plans and specifications for public works-related construction projects; the construction and inspection of these projects; the review, approval, and inspection of all public improvements made in new commercial, industrial, and residential subdivisions, such as streets, curbs, gutters, sidewalks, water mains, sewer lines, and drainage systems; and the coordination of all traffic and transportation issues. The Facilities Maintenance Division ensures that City facilities are maintained and operated in a cost-effective, energy-efficient, high-quality, and safe condition; and provides custodial service to City facilities.

Engineering - Administration

Plan overall programs of the Department and the various divisions so the policies and goals of the City Council are accomplished.

Coordinate, direct, and manage the activities of the Department's divisions to maximize efficient use of public resources.

Assist in the selection of employees hired in the Department.

Receive and route business contacts to the proper divisions courteously and efficiently.

Prepare documents and correspondence in a timely and professional manner.

Investigate and route customer service requests.

Perform follow-up for the resolution of complaints and requests.

Maintain Department records so information can be retrieved as needed.

Engineering - Development Review

Review land development projects and building plan checks to assure compliance with City policies, ordinances, development conditions, and State and Federal regulations.

Review tentative maps to ensure compliance with City policies, ordinances, and development conditions. Address the adequacy of infrastructure in the areas of water resources and street improvements.

Review final maps to assure accuracy, completeness, and compliance with all applicable State laws and City ordinances.

Check public improvement plans to assure accuracy, completeness, and compliance with project approval.

Create, review, and implement master plans for City infrastructure.

Engineering - Project Design/Capital

Prepare plans, specifications, and bid documents, and coordinate environmental reviews for City capital improvement and maintenance projects cost-effectively and thoroughly.

Administer the preparation of plans, specifications, and bid documents for City capital improvement and maintenance projects prepared by consultants to assure cost-effective performance and thorough design.

Oversee and review technical reports prepared by private consulting firms to assure thorough analysis is performed cost-effectively.

Interface with the Santa Barbara County Association of Governments to secure funding and coordinate roadway and transit planning efforts.

Engineering - Construction Management

Inspect and administer the construction of City public works projects to assure conformance with plans and specifications, and projects are completed on schedule and within budget.

Inspect the construction of public improvements, installed with private development projects, to assure compliance with development conditions and State and Federal regulations.

Assure that all construction conforms to project plans and City standard drawings and specifications.

Issue encroachment permits, in a timely manner, for various utilities and developers performing work in City rights-of-way and interface with other agencies to coordinate construction work in the City rights-of-way.

Engineering - Traffic

Respond to requests from customers for resolution of traffic problems and issues by investigating, analyzing, and providing recommendations for corrective action, when necessary, to the City Traffic Committee and the City Council.

Perform annual traffic counts to support recommendations for capital improvements, and to respond to regional transportation program requirements, including the maintenance of the City's Traffic Model.

Perform speed surveys to support law enforcement needs as traffic patterns change over time.

Investigate traffic conditions at intersections to assure traffic operations are efficient and safe.

Specify, analyze, and review various types of traffic studies to support the processing of development applications.

Provide traffic engineering recommendations to traffic operations maintenance crews to assure that traffic signal timing sequences operate correctly with traffic flow; that traffic markings and signs conform to current regulations; and that curb zoning and parking conditions make efficient use of available space.

Facilities

Provide technical services to City departments by operating and maintaining facilities and equipment; analyzing energy efficiency opportunities; monitoring mechanical/electrical systems for optimization of operation; conceiving new maintenance projects; budgeting for and maintaining adequate tools, material, and information to assure effective progress on scheduled work. Facilities include 35-plus buildings and support facilities, 3 parking structures, and several emergency communication facilities.

Assure City facilities are maintained in a presentable and safe condition, provide a comprehensive preventive maintenance program for City facilities and equipment, and lend assistance to other departments that implement a Department-specific preventive maintenance program.

Estimate and coordinate minor additions, remodels, renovations, equipment upgrading, and monitoring for energy conservation of gas and electricity.

Coordinate and provide custodial services to 14 City facilities.

Implement accessibility improvements of City facilities in compliance with the Americans with Disabilities Act.

Engineering & Facilities Maintenance (1110, 1120, 1130)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 2,631,451	$ 2.777.585	$ 3,764,615	$ 4,278,147	$ 4,527,639
Services & Supplies	638,263	878,012	1,103,961	1,114,675	1,137,750
Capital & Outside Agencies	743	69,751	5,000	-	-
Total General Fund	**$ 3,270,457**	**$ 3,725,348**	**$ 4,873,576**	**$ 5,392,822**	**$ 5,665,389**
801 – CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ 275,679	$ 1,450,300	$ 8,084,639	$ 3,157,850	$ 2,249,658
Total Capital Projects-General Fund	**$ 275,679**	**$ 1,450,300**	**$ 8,084,639**	**$ 3,157,850**	**$ 2,249,658**
Total Engineering & Facilities Maintenance	**$ 3,546,135**	**$ 5,175,648**	**$ 12,958,215**	**$ 8,550,672**	**$ 7,915,047**

FLEET SERVICES

The Fleet Services Division provides vehicle and equipment maintenance and replacement services in an efficient, fiscally responsible, and courteous manner. The Division also operates all City fueling operations and equipment, and vehicle regulatory compliance. The goal is to provide City departments with adequate and effective equipment in a cost-effective manner through the City's Fleet Equipment Program.

Preventive Maintenance Program

Fleet Services implements a robust schedule that surpasses industry standards. City staff rigorously conduct preventive maintenance, addressing potential issues proactively to minimize unexpected breakdowns. This dedication ensures the reliability and longevity of each vehicle and piece of equipment, contributing to the seamless operation of municipal services.

Equipment Replacement Program

The Fleet Services Equipment Replacement Program follows a systematic approach. Annually, Fleet Services evaluates vehicles and equipment due for replacement based on a predetermined schedule. This approach allows staff to maximize cost-efficiency by extending the life of assets when viable and recommending replacements as needed. Additionally, we engage in thorough research to develop specifications for new vehicles or equipment, aiding accurate budgeting and ensuring the seamless integration of updated assets into our fleet.

Automated Fueling Program

The Automated Fueling Program manages the City's computerized fueling system, overseeing the seamless acquisition, distribution, and tracking of fuel usage. Fleet Services extend the authorization to public transportation agencies, providing a discounted fuel rate to promote collaboration and efficiency. Moreover, the installation and maintenance of electric vehicle (EV) charging stations citywide align with our commitment to sustainable practices, contributing to a greener and more environmentally conscious municipal fleet.

Testing and Compliance Programs

Fleet Services administers the Biennial Inspection Terminal (BIT) Program for medium and heavy-duty trucks, ensuring compliance with California Highway Patrol regulations. The coordination of the Annual Smog Test Program involves submitting compliance reports to the Department of Consumer Affairs, Bureau of Automotive Repair. Management of the In-Use Off-Road Diesel-Fueled Fleet Program aligns with state regulations, working towards emission reduction and the progressive update of equipment. The oversight of the Portable Engine Registration Program streamlines compliance with emissions standards, facilitating annual audits. Finally, Fleet Services commitment extends to monitoring and enforcing compliance with the Advanced Clean Fleet Regulation (ACF), ensuring the City's fleet aligns with California Air Resources Board mandates for zero-emission vehicles.

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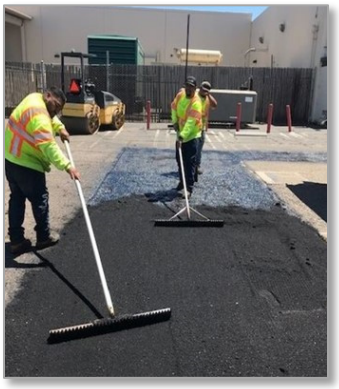
Fleet Services (1410)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
007 – FLEET SERVICES FUND					
Salaries & Benefits	$ 1,325,535	$ 1,656,802	$ 1,842,265	$ 2,010,879	$ 2,131,674
Services & Supplies	4,481,649	4,307,297	5,401,732	5,114,077	5,114,077
Capital & Outside Agencies	2,126,068	(1,908,827)	8,463,500	7,027,492	1,150,247
Debt Service	148,833	7,076	83,449	83,450	-
Transfers	213,826	199,639	199,639	301,651	301,651
Total Fleet Services Fund	**$ 8,295,910**	**$ 4,261,987**	**$ 15,990,585**	**$ 14,537,549**	**$ 8,697,649**
Total Fleet Services	**$ 8,295,910**	**$ 4,261,987**	**$ 15,990,585**	**$ 14,537,549**	**$ 8,697,649**

PUBLIC WAYS & FACILITIES: STREET MAINTENANCE



The Street Maintenance Division provides managerial oversight for the City's rights-of-way. The goal is to provide a well-maintained street system for pedestrian, bicycle, and vehicle traffic within the City limits. The program consists of several subprograms that address maintenance.

Flexible Pavement Maintenance Program

The Flexible Pavement (asphalt) Maintenance Program addresses three basic elements of roadway maintenance. First, the pothole element, which is typically driven by rainfall, addresses smaller areas and is maintained by in-house asphalt patching. A telephone hotline is available at (805) 925-0951 extension 2229 so the public may report potholes unknown to City maintenance staff. Second, the general pavement element addresses small areas of roadway in need of subgrade, base, or surface maintenance, and is performed by City staff. Third, the Pavement Management System (PMS) which is a computerized process of planning the maintenance and repair of the roads in Santa Maria to optimize the pavement condition over the entire road network. The PMS data is used to select the roads to be maintained and the treatment to use. Typical treatments are reconstructing, overlay, slurry seal, and chip seal. These treatments are performed by outside contract services. The City's Pavement Condition Index is rated at 66 compared to 59 in the unincorporated areas of the County.

Street Light Maintenance Program
The Street Light Maintenance Program supports street light services in the areas of general maintenance, system upgrades, inspections, design, and damage caused by vehicular accidents. General maintenance is needed when a light is not working or not functioning correctly. Staff is notified of the issue by public calls or messages left on the street light hotline. Additionally, staff perform streetlight checks twice monthly, in high-traffic commercial areas. System upgrades are developed, designed, and scheduled. Included are street light pole replacement, fixture upgrades, and service modifications. The inspection element involves the inspections of newly installed streetlights and service points, typically driven by new development. The design element addresses street light system design for new lighting systems in areas of new development and areas where existing lighting will be improved. Staff addresses accidents involving streetlights 24 hours a day, seven days a week.

Traffic Signal Maintenance Program
The Traffic Signal Maintenance Program provides maintenance services to the City's traffic signal system. The program includes preventive maintenance; component failure service; and system upgrades. Monthly visual inspections are performed as a preventive measure. In addition, a detailed inspection and preventive maintenance regime is performed, quarterly, on all 49City traffic signals. Each traffic signal cabinet's conflict monitor is evaluated semi-annually. Component failures rarely occur; therefore, these are addressed on an as-needed basis. System upgrades include light-emitting diode (LED) retrofits, preemption installations, Bluelight enforcer technology, countdown pedestrian heads, speed feedback signs, pedestrian crossing warning beacons, and signal coordination to recommended corridors within the City. The City pays for electrical power costs of 38 Caltrans traffic signals but does not perform maintenance of these installations.

Pavement Marking Program
The Pavement Marking Program provides maintenance of roadway delineation, striping, stenciling, and curb painting. The striping element addresses all painted roadway striping that separates the roadway's direction of travel and defines the width of roadway lanes traveling in the same direction. The stenciling element provides for: clear and legible speed limits, school and pedestrian crossings, stops, yields, turn arrows, and railroad crossing pavement markings. The curb painting element defines areas that have parking restrictions, such as no stopping/no parking, loading/unloading, and limited-time parking.

Sign Maintenance Program
The Sign Maintenance Program addresses maintenance, installation, and removal of all regulatory, warning, guide, and street name signs under the purview of the City including guide, bike route, airport, hospital and street name signs. Examples of the various sign categories include regulatory, stop, speed, no parking, warning, yield, school zone, and road narrows signage.

Concrete Maintenance Program
The Concrete Maintenance Program provides for the maintenance of sidewalks, curbs and gutters. These service needs are typically driven by tree root damage, age of the surface, or mandated changes, as in handicap ramps. Each maintenance element, replacement or grinding, is scheduled in areas that present the highest risk. The replacement process involves the immediate marking of hazards, temporary patching to mitigate hazards, removal of damaged concrete and replacement with new concrete. Concrete grinding is performed on a limited basis and involves grinding concrete elevation differences of less than one inch. These maintenance tasks are performed by City staff, as well as outside contract services.

Weed Abatement Program
The Weed Abatement Program is structured to address right-of-way abatement needs within the City. This program uses City staff labor. It aids in fire protection, mitigates health threats from pest vectors and addresses visual nuisances by abating areas under the maintenance responsibility of City rights-of-way.

Alley Maintenance Program

The Alley Maintenance Program addresses annual alley grading, typically before the rainy season, and annual weed control. Both services, as well as trash cleanup, are performed on an as-needed basis.

Street Maintenance (1141, 1145, 1147, 1148)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
027 - GROWTH MITIGATION FUND					
Capital & Outside Agencies	$ -	$ -	$ 1,257,295	$ -	$ -
Total Growth Mitigation Fund	**$ -**	**$ -**	**$ 1,257,295**	**$ -**	**$ -**
063 - GAS TAX AND TRANSPORTATION DEVELOPMENT ACT FUND					
Services & Supplies	$ 3,640	$ -	$ 26,580	$ 26,580	$ 26,580
Capital & Outside Agencies	3,442,461	6,217,882	6,271,190	5,474,162	5,388,530
Transfers	654,293	655,492	655,492	650,935	650,935
Total Gas Tax and Transportation Development Act Fund	**$ 4,100,394**	**$ 6,873,374**	**$ 6,953,262**	**$ 6,151,677**	**$ 6,066,045**
064 - DEVELOPER/GRANT STREET PROJECTS FUND					
Capital & Outside Agencies	$ 1,020,134	$ 195,023	$ 2,090,060	$ 1,977,000	$ 6,818,000
Total Developer/Grant Street Projects Fund	**$ 1,020,134**	**$ 195,023**	**$ 2,090,060**	**$ 1,977,000**	**$ 6,818,000**
068 - MEASURE A FUND					
Salaries & Benefits	$ 2,137,033	$ 2,180,828	$ 2,596,840	$ 3,230,060	$ 3,401,402
Services & Supplies	1,218,831	1,632,182	1,503,390	1,645,080	1,675,080
Capital & Outside Agencies	749,873	1,860,685	2,979,984	2,274,908	2,723,474
Total Measure A Fund	**$ 4,548,218**	**$ 6,191,685**	**$ 8,398,204**	**$ 8,551,450**	**$ 9,201,358**
Total Street Maintenance	**$ 9,668,746**	**$ 13,206,082**	**$ 18,698,821**	**$ 16,680,127**	**$ 22,085,403**

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
DEMAND/WORKLOAD			
Street Light Maintenance			
Total City-Owned Street Lights	6,837	6,966	7,100
Total PG&E-Owned Street Lights	137	138	138
Street Light Maintenance Hours	3,288	3,487	3,835
Traffic Signal Maintenance			
Total City-Owned Traffic Signals	48	50	53
Traffic Signal Maintenance Hours	2,423	3,584	3,942
Sign Maintenance Hours	3,694	3,651	4,016
Pavement Marking Maintenance Hours	6,544	6,398	7,038
Flexible Pavement Maintenance			
Center Line Miles	229	229	229
General Maintenance Hours	11,528	7,725	8,497
Overlay/Chip Preparation Hours	6,267	8,455	9,301
Concrete Project Maintenance Hours	5,600	4,578	5,036
Weed Abatement Maintenance Hours	1,719	2,542	2,796

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
Alley Maintenance			
General Maintenance Hours	873	837	920
Grading Hours	964	708	779
Weed Abatement Maintenance Hours	587	419	461
EFFECTIVENESS/EFFICIENCIES			
Pothole Maintenance Hours	3,574	2,733	3,007
Concrete Request Maintenance Hours	5,561	2,871	3,158

SPECIAL REVENUES: GROWTH MITIGATION

Assembly Bill 1600 was enacted in 1987; thereby allowing local governments to enact ordinances establishing development fees to finance the cost of growth-related capital improvements. The legislation provided the framework for establishing growth mitigation fees for development. The City's Growth Mitigation Fee Ordinance captures revenues and distributes the costs of City-wide infrastructure needs associated with new development and the existing community, to assure that adequate funding is available for the construction of new capital assets necessary to accommodate a growing population and service area.

This budget unit was established to account for the collection of developer/growth mitigation fees to mitigate the impact that growth has on public infrastructure. This budget unit serves as a Special Revenue Fund. Adopted funding for various capital projects can be found in the Capital Projects section of this document.

Growth mitigation fees represent only one element of capital project financing. These fees are used in concert with other funding mechanisms, such as gas tax, local transportation funds, Measure A (county-wide sales tax), and grants to provide the necessary infrastructure for planned and orderly growth.

PUBLIC WAYS & FACILITIES: PUBLIC TRANSIT

The Santa Maria Regional Transit (SMRT) system provides local and regional public transportation services, as mandated under State and Federal regulations, for the transit needs of the Santa Maria urban area and neighboring communities.

Local Fixed Route (General Public)

The Local Fixed Route program has the objective to provide a safe, efficient, reliable, and comfortable local transit service for the public, which includes the elderly and those with disabilities. During 2024-26 the program will continue an aggressive marketing program and the operational actions necessary to meet the basic mobility needs of the residents within the service area. The program will work to increase the cost efficiency and productivity of the system by adjusting and modifying routes and schedules using service-planning strategies to meet the farebox ratio of 20 percent.

Americans with Disabilities Act (ADA) Paratransit Service

The ADA Paratransit service will continue to provide curb-to-curb reservation-based paratransit service to meet the needs of the elderly and persons with disabilities who cannot use fixed-route services, as required by the ADA of 1990. The goal remains to provide safe, efficient, reliable, and comfortable transit service while achieving a farebox ratio of 10 percent.

Regional Transit Services

The Breeze bus service was a regional transit service consisting of two routes. As of July 1, 2023, this service has been consolidated with SMRT, and these routes are part of our regular routes. Both routes provide commuter-based public transportation. Route 20 provides service from Santa Maria to Los Alamos, Buellton, Solvang, and Santa Ynez. Route 30 provides service between Santa Maria,

Vandenberg Space Force Base, and Lompoc. These routes allow us to serve our riders transit needs in the northern Santa Barbara County urbanized area.

The Clean Air Express is a regional transit service, which provides commuter-based public transportation connecting the cities of, Buellton, Solvang, and Santa Barbara. The service was initiated by the Santa Barbara Air Pollution Control District and continued by the Santa Barbara County Association of Governments.

Route 10 is a regional transit service provided by SLORTA. This service provides commuter-based public transportation, connecting Santa Maria, Five-Cities, and San Luis Obispo, and is operated by San Luis Obispo Regional Transit Authority, funded with Federal and State funds and passenger fares.

Public Transit (1170, 1171, 1172, 1174, 1177, 1179, 1183)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
066, 067 - PUBLIC TRANSIT FUNDS					
Salaries & Benefits	$ 693,544	$ 610,850	$ 843,068	$ 862,819	$ 913,127
Services & Supplies	5,143,734	7,356,573	8,182,211	9,284,422	8,860,926
Capital & Outside Agencies	1,596,378	1,428,092	9,955,114	5,120,000	6,080,000
Transfers	139,548	111,216	111,216	370,804	370,804
Total Public Transit Funds	**$ 7,573,204**	**$ 9,506,731**	**$ 19,091,609**	**$ 15,638,045**	**$ 16,224,857**
Total Budget	**$ 7,573,204**	**$ 9,506,731**	**$ 19,091,609**	**$ 15,638,045**	**$ 16,224,857**

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
DEMAND/WORKLOAD			
Passengers	**630,590**	**917,922**	**1,009,714**
Santa Maria Regional Transit	557,090	823,098	905,408
The Breeze	43,123	59,571	65,528
ADA Paratransit Express	28,014	30,498	33,548
Trolley	0	2,857	3,143
Cuyama	2,363	1,896	2,085
EFFECTIVENESS/EFFICIENCIES			
Fare Box Ratio	14%	8%	9%
Cost Per Passenger	$10.76	$14.22	$14.07
Passengers Per Service - Hour	7.79	7.98	10.93
Passengers Per Revenue - Mile	0.50	0.50	.67
Revenue/Hours	$11.42	$8.91	$11.18
Revenue/Miles	$0.73	$0.56	$0.63
The Breeze			
Fare Box Ratio	6%	9%	10%
Cost Per Passenger	$24.19	$18.24	$30.51
Passengers Per Service - Hour	4.50	5.40	3.89
Passengers Per Revenue - Mile	0.15	0.17	0.13
Revenue/Hours	$6.20	$8.86	$9.18
Revenue/Miles	$0.20	$0.28	$0.30
ADA Paratransit			
Fare Box Ratio	35%	33%	28.65%
Cost Per Passenger	$25.86	$20.00	$24.61
Passengers Per Service - Hour	3.06	3.28	4.39
Passengers Per Revenue - Mile	0.20	0.21	0.27
Revenue/Hours	$27.34	$21.87	$30.97

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
Revenue/Miles	$1.81	$1.37	$1.87
Trolley			
Fare Box Ratio	N/A	9.77%	N/A
Cost Per Passenger	N/A	$15.62	N/A
Passengers Per Service - Hour	N/A	8.33	N/A
Passengers Per Revenue - Mile	N/A	0.31	N/A
Revenue/Hours	N/A	-	N/A
Revenue/Miles	N/A	-	N/A
Cuyama			
Fare Box Ratio	6%	4%	4.14%
Cost Per Passenger	$22.75	$32.00	$19.28
Passengers Per Service - Hour	1.83	1.57	2.69
Passengers Per Revenue - Mile	0.09	0.08	0.13
Revenue/Hours	$2.51	$2.07	$2.14
Revenue/Miles	$0.12	$0.10	$0.11

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RECREATION AND PARKS DEPARTMENT

DEPARTMENT OVERVIEW

PURPOSE

The Recreation and Parks Department's mission is to enrich the lives of the residents of Santa Maria through quality recreation programs and services; and to provide safe and well-maintained facilities and parks, while anticipating the changing needs of the community. The department operates 234 acres of developed parkland in 31 neighborhood and community parks, part of the 1,774-acre Los Flores Ranch Park property, the Abel Maldonado Community Youth Center, the Hagerman Softball Complex, Paul Nelson Aquatics Center, Elwin Mussell Senior Center, Veterans' Memorial Center and other community centers. The department provides programs in aquatics, youth and adult sports, therapeutics and senior services, Special Olympics, community classes and events, youth and teen programs, and the Mayor's Task Force on Youth Safety. It also runs the City's Urban Forest Program.

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
Long-Term Financial Sustainability	Make forward progress on implementing a City-wide Landscape Maintenance District, including a sustainable supplemental funding source for the district.
Community Quality of Life	Develop implementation plan for installation of public art across the City in alignment with the recommendations of the Community Leisure Needs and Public Art Five-Year Master Plan.
Planning and Infrastructure	Make forward progress on the construction of the Sports Complex. Continue to seek out additional funding sources for the project.
Organizational Well-Being	Finalize the implementation of the department's operational restructuring, including expanded front-line supervision and middle management, employee training and development towards succession planning, and enhanced efficiencies in customer service.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
New Approach to Economic Development	Make forward progress on capital projects including, DeJoy Avenue and Taylor Street pocket park projects; the Veterans' Memorial Park project; the Smith/Enos House and Japanese Community Center projects; and Battles Road Multi-purpose trail beautification project. Continue to seek out additional funding sources for these projects.
Provide Youth Opportunities	Bring forward to the Recreation and Parks Commission final recommendations for the Community Leisure Needs and Public Art Five-Year Master Plan. Conduct a comprehensive review of current youth programs, assessing their effectiveness, relevance, and fee structures, while utilizing the Leisure Needs Assessment framework to guide the development and implementation of future youth programs. Expand and diversify the Mayor's Youth Task Force to prevent youth violence. Develop and implement a plan to increase youth programming, including at Abel Maldanado Youth Center.
Provide Public Safety Resources	Promote safety in and around public spaces, encourage environmental sustainability, and create opportunities for social engagement, through the implementation of new technologies, increased Ranger training, and public education around parks and open spaces.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
ESTABLISH A STAFFING PLAN	Implement the Urban Forest Master Plan, including education, outreach, and updates to the City Municipal Code. (Including staffing)

ACCOMPLISHMENTS

The Recreation and Parks Department celebrates the following accomplishments:

Parks Division:

- Completed and opened the new Machado Plaza.
- Installed floodlights at Adam Park and Crossroads Basin.
- Installed 3 Pickleball courts at Minami Park.
- Installed a new futsal court at Buena Vista Park.
- Installed ADA-friendly trail at Preisker Park.
- Graffiti Clean-up – 275,000 square feet.

Recreation Division:

- Reopened Newlove Center and initiated after-school programs.
- Special Events – Tree Lighting, 4th of July, Dia De Los Muertos Festival.
- Programs for Active Living at Mussell Center.
- Put over 2,500 youth through after-school programs.
- Over 9,360 hours used by patrons at the Paul Nelson Aquatics Center.
- Over 50,000 hours used by individuals, organizations, leagues, and clubs at City sports fields and courts.

City Rangers:

- 148 hours of training (Laws of arrest & Search & seizure, crisis intervention training, de-escalation, emergency vehicle operations, all-terrain vehicle enforcement, Human Trafficking, Axon taser instructor, and Axon body camera.
- Career Development (S.T.A.R.T. Academy, Supervisor's Academy, and GROW Cohort III, P.O.S.T. Leadership).
- Specialized equipment (ATV patrol transport trailer, ATV patrol vehicle, Axon body cameras, Axon Taser 10 platform, and 3 E-Bikes).
- Community outreach - Tobacco Retail Enforcement (Enforcing local & state laws, educational outreach, "Shoulder tap operations.").
- Retrieved 7,000+ abandoned shopping carts.

NOTEWORTHY BUDGET HIGHLIGHTS

Administration and Recreation:

- In 2023-24 the department completed an organizational assessment conducted by a third-party vendor. Recommendations proposed in the supplemental budget requests are as a result of the assessment. The key areas highlighted in the assessment included supervisory span of control, operational efficiencies for administrative support, and organizational sustainability through training and career development.
- The staffing plan identified in the assessment expands on opportunities for youth in aquatics, the youth center through teen programming, events at the parks, and recreation at the facilities. The goal is to reach more of our youth and provide them with opportunities for leisure and growth. Additionally, the department will enhance community events for music, arts, culture, etc.
- Based on the recommendations form the organizational assessment report, staff is requesting to reclassify a part-time Staff Assistant to a full-time Account Clerk I/II, reclassify a part-time Account Clerk Aide to a full-time Office Assistant I/II, and to add a new Administrative Leader allocation. The purpose of this request is to centralize and streamline many administrative and clerical duties that are being handled by frontline supervisors, which takes away from their primary responsibilities to supervise and mentor their respective workgroups. Having a centralized administrative team will ensure quality assurance/control processes, workflow consistency, and the appropriate skillset to complete general and more complex clerical and

administrative functions. To effect these recommended changes, the increase in cost to the general fund will be approximately $193,135.

- The Graphics Technician classification is currently part-time, and the hourly wage is significantly below industry standard. Staff have requested that this classification be converted to full-time status with a pay range that will allow the department to be competitive when recruiting. The difference in cost is revenue-backed through landscape maintenance tax revenue.
- Our two authorized and filled Crew Leader-Maintenance Specialist allocations have not been funded for many years. Staff is requesting that these positions be fully funded through increase in revenues generated through landscape maintenance tax revenue. The total cost over two years will be approximately $467,600.
- Staff is requesting funding for the addition of four Maintenance Worker I/II allocations, as well as corresponding tools and equipment, to support the increasing number of parks that have gone online over the past 10 years, as well as parks that are due to go online over the next 2 years. New parks include the Smith-Enos Ranch Park and Japanese Community Center, the DeJoy Avenue pocket park, the Battles Road Corridor, and the Santa Maria Community Sports Complex. The cost of approximately $921,400 over 2 years for these new position allocations would be funded by landscape maintenance tax revenues.
- In response to a structural failure of a light pole at the Paul Nelson Aquatics Center, staff is requesting $100,000 to replace all light poles adjacent to the pool to prevent potential risk to public safety. The compromised integrity of the collapsed pole highlights the critical concerns regarding the aging infrastructure of the existing poles, which have surpassed a two-decade lifespan.
- Many of the City's parks have aging equipment that is 10-15 years old and is in need of replacement to maintain required safety standards. As parts for the aging equipment are difficult to come by or are no longer available, the playgrounds will need to be replaced on a regular recurring cycle. Staff is requesting $325,000 each year to replace at least 1 playground annually.
- Staff is requesting $1,500,000 to replace the field lights at Elks baseball field. The current lighting is aged, requires regular maintenance, and has a higher operating cost than modern LED technology. Replacement will allow for a decrease in annual operating expenses, ensure regular and reliable use, and will allow us to incorporate upgraded options such as automation and ball-trackers.
- In order to support the City's urban forest management and to enhance safety at all City parks, $150,000 over two years is requested, for tree trimming. This will assist in preventing falling limbs and damage to property or people, and to maintain the health of trees within the City's urban forest.
- To continue to work toward the department's goal of five acres of parks/open space per 1,000 residents, $2 million is requested over the two years for landscape design and construction for the development of two existing City-owned sites into neighborhood "pocket parks."
- Park furnishings at various parks will be replaced for $300,000 over two years. The purpose is to address rehabilitation needs due to the significant demands associated with growth-related use and emergency repairs at the City's 28 parks and 11 facilities. This funding would be used as needed to further address potential safety hazards and/or more costly repairs if unattended.
- The Department is recommending $300,000 over two years for stewardship management at Los Flores Ranch Park, including maintenance and repair of trails, fire breaks, fencing, roadways, storage facilities, and to purchase needed equipment.
- Significant outside funding received in the 2024 Program and Capital Grants budget received includes: Outdoor Equity Grant Program - $589,700, Coastal Conservancy Grant - $76,500, Whale Tail Grant - $27,000, DOJ Tobacco Grant - $441,460, Clean California – Battles - $2,508,133, Prop 68 (Santa Maria Sports Park) - $6.1 million, Local Project Funding - $1 million, HUD-Japanese Community Center - $500,000, CDBG Preisker Park - $491,511, Prop 68 (Veterans' Memorial Park) - $2,145,041. Pending grants include Community Development Block Grant ($400k+) and Urban Greening Grant ($1.6 million). The Department will continue seeking additional funding sources to ensure project completion.

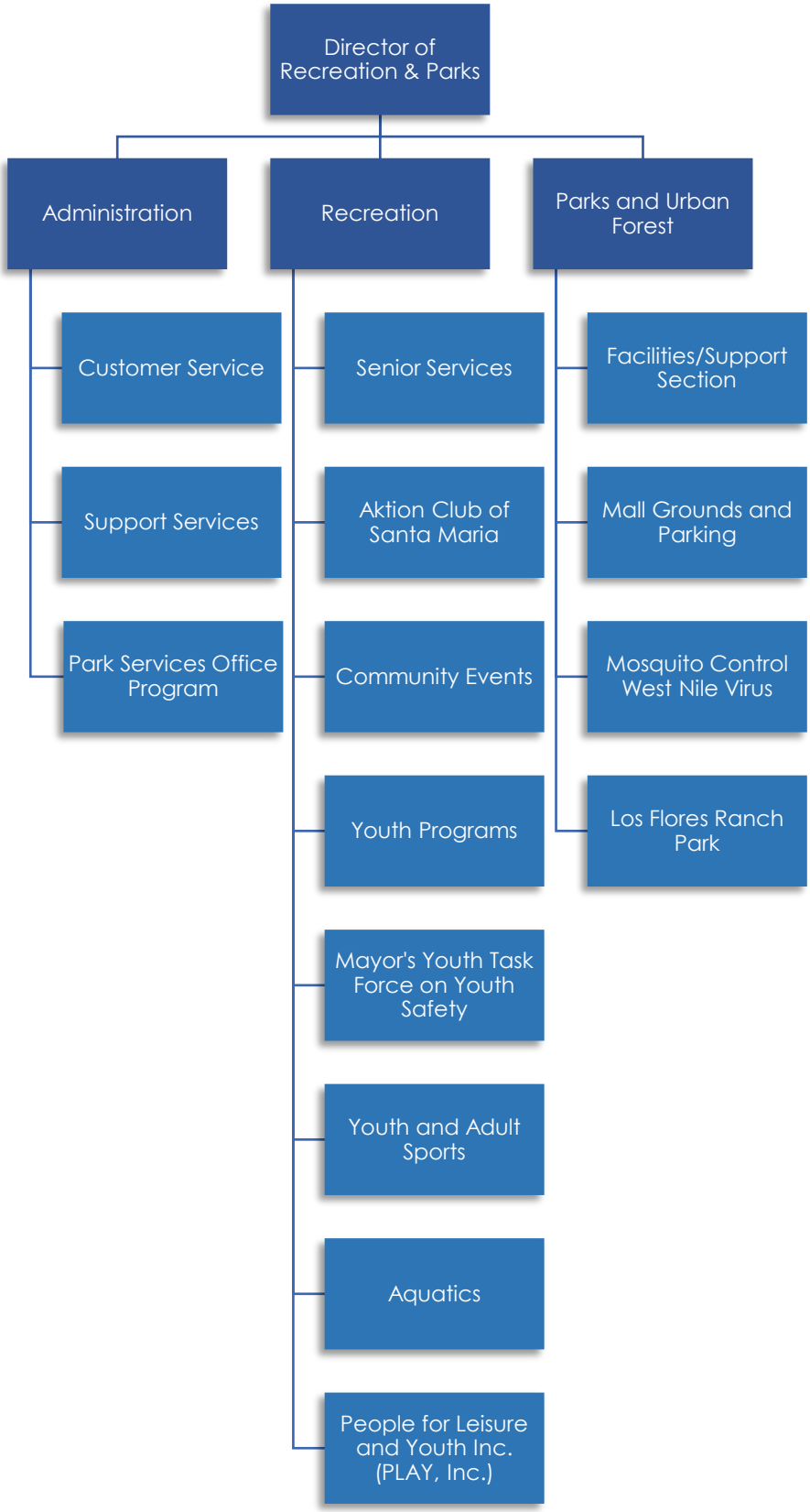
Landscape Maintenance Services:

- Centennial Gardens bordered by Battles, Depot and Provance started construction in 2022 and has now been completed adding significant landscape and commiserate the Rose Garden Special Benefit Zone.
- The Betteravia Plaza Special Benefit Zone will include the area bounded by Betteravia Road, Blosser Road, Carmen, and the Santa Maria Railroad. Created in 2018, this new tract began construction in the spring of 2021 and will consist of residential and commercial elements. This area includes street trees, roadside landscaping, and a bike and walking path, with recreational amenities.
- With expected development in 2024-25, the Blosser Ranch project (bordered by Stowell Road to the north, Blosser Road to the west, Battles Road to the south, and the Santa Maria Valley Railroad to the east) will include residential, retail, a school site, and 19 acres of public open space which is planned as the Santa Maria Sports Complex.
- In the 2020-22 budget, staff identified structural deficits in the Southeast District and Northeast Districts. The Department is developing a plan for service reductions, cost controls, and revenue increases. Over the previous budget period, staff was able to significantly improve the financial position of both districts. Efforts in water conservation and contract management scope reductions helped reduce costs.
- With the recent water conservation executive order from the Governor, Landscape Districts will have to develop comprehensive plans to conserve water by taking drastic measures, such as removal of ornamental grass areas, upgrading irrigation systems to drip systems, and eliminating unnecessary plant materials with the goal of reducing water consumption by 25 percent. Staff is developing a plan of action to move towards achieving this goal.

Parking & Lighting Maintenance:

- The City continues to ensure that the landscaping, parking lot, and lighting of the Stowell Center, one of Santa Maria's busiest commercial shopping areas, are maintained in a safe, clean, attractive, and professional manner to attract and encourage residents to patronize the Stowell Center businesses.

DEPARTMENT ORGANIZATION



A complete schedule of the department's positions, a summary of changes, and a detailed explanation of position changes can be viewed at *Personnel -Recreation & Parks* on page 198.

BUDGET OVERVIEW

Budget Summary by Expenditure Category - All Funds

EXPENDITURE CATEGORY	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Salaries & Benefits	$ 8,088,224	$ 8,581,235	$ 10,057,636	$ 11,528,754	$ 11,939,757
Services & Supplies	7,413,002	8,678,962	9,779,834	9,078,165	9,078,065
Capital & Outside Agencies	2,133,755	4,937,433	8,409,389	950,000	1,250,000
Transfers	1,746,250	2,331,049	2,357,370	2,340,512	2,340,512
Total Budget	**$ 19,381,232**	**$ 24,528,679**	**$ 30,604,229**	**$ 23,897,431**	**$ 24,608,334**

Budget Summary by Fund

FUND	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 - General Fund	$ 9,630,660	$ 10,931,403	$ 12,406,896	$ 12,992,292	$ 13,232,582
011 - Measure U Fund	1,917,985	3,081,760	3,590,221	3,071,312	3,152,287
016 - Quimby Park Acquisition & Development Fees Fund	641,241	855,194	757,000	150,000	150,000
027 - Growth Mitigation Fund	-	29,415	4,300,000	-	-
028 - Residential Development Tax Fund	127,602	117,803	150,000	500,000	500,000
031 - Northwest Landscape District Fund	1,782,207	2,091,937	2,143,185	2,670,863	2,560,501
032 - Northeast Landscape District Fund	851,174	1,025,760	907,874	827,547	827,547
033 - Southwest Landscape District Fund	2,250,612	2,642,238	2,092,412	2,028,978	2,028,978
036 - Stowell Parking & Lighting Fund	7,314	10,794	32,257	31,666	31,666
038 - Southeast Landscape District Fund	1,689,359	1,606,670	1,634,384	1,524,773	1,524,773
801 - Capital Projects-General Fund	483,078	2,135,707	2,590,000	100,000	600,000
Total Budget	**$ 19,381,232**	**$ 24,528,679**	**$ 30,604,229**	**$ 23,897,431**	**$ 24,608,334**

Budget Summary by Program - All Funds

PROGRAM	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Leisure & Cultural Services					
0810 - Administration	$ 589,814	$ 1,026,909	$ 653,286	$ 1,079,345	$ 1,119,315
0815 - Parks Services Officers	87,936	-	70,536	233,755	243,455
0821 - General Recreation	1,712,710	2,013,987	2,066,615	2,260,782	2,373,370
0822 - Facilities	1,551,921	1,769,266	1,730,241	1,729,098	1,761,310
0823 - After School Education & Safety Program	570	-	1,044	517	517
0825 - Youth Center	418,375	447,086	474,062	535,521	544,170

Budget Summary by Program - All Funds	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
0830 - Paul Nelson Pool	1,235,932	1,359,373	1,307,169	1,288,345	1,298,706
0840 - Parks	4,112,878	6,022,660	12,485,571	5,480,423	6,007,233
0860 - All American City Committee	-	-	11	5	5
0870 - Mosquito Intervention Program	6,886	4,621	7,220	7,073	7,073
0875 - Mayor's Task Force	62,571	65,752	97,095	96,209	96,209
0880 - Mall Grounds & Parking	334,145	386,870	404,046	381,219	381,219
0890 - Measure U Public Safety	1,155,505	1,798,357	1,886,879	1,940,905	2,033,944
0891 - Measure U Youth Services	291,328	731,431	931,754	846,550	825,768
0892 - Measure U Quality of Life	471,152	551,972	771,588	283,857	292,575
Total Leisure & Cultural Services	**$ 12,031,723**	**$ 16,178,284**	**$ 22,887,117**	**$ 16,163,604**	**$ 16,984,869**
Special Revenues					
0841 - Park Acquisition & Development Projects	768,844	972,997	907,000	650,000	650,000
1540, 1542, 1547, 1548 - Northeast Landscape District	1,782,207	2,091,937	2,143,185	2,670,863	2,560,501
1543, 1549, 1550, 1553, 1554 - Northeast Landscape District	851,174	1,025,760	907,874	827,547	827,547
1531, 1532, 1544, 1551, 1552, 1555, 1556, 1557 - Southwest Landscape District	2,250,612	2,642,238	2,092,412	2,028,978	2,028,978
1533, 1541, 1545, 1546, 1558, 1559 - Southeast Landscape District	1,689,359	1,606,670	1,634,384	1,524,773	1,524,773
1520 - Stowell Parking & Lighting	7,314	10,794	32,257	31,666	31,666
Total Special Revenue Funds	**$ 7,349,509**	**$ 8,350,395**	**$ 7.717.112**	**$ 7,733,827**	**$ 7,623,465**
Total Budget	**$ 19,381,232**	**$ 24,528,679**	**$ 30,604,229**	**$ 23,897,431**	**$ 24,608,334**

DIVISION/PROGRAM BUDGETS

ADMINISTRATION

The Administration Division assists in providing support to the City Council, the Recreation and Parks Commission, and the City Manager regarding recreation and park issues. The Administration Division provides the community and City staff with a multitude of support services including public reception at the service counter and via telephone, clerical support, and personnel-related services for full-time and part-time staff. This division works closely with the Community Development, Public Works, and Utilities Departments, in the areas of advanced planning and subdivision review for new residential and commercial development, and for activity and events permits. This Division provides budget management of the department's 12 General Fund accounting units, 22 active Special Districts and Special Benefit Zones, purchasing, and budget preparations. Daily, these support services enable the department to carry out service delivery within its respective operating divisions.

Additionally, the Administration Division oversees the Park Services Officer Program (i.e. City Rangers) which provides public service, safety, and law enforcement at over 28 City parks and 12 community centers and buildings, 4 multi-purpose trails, all City-owned parking lots and structures, and over 158 acres of landscape district rights-of-way. The City Ranger Program operates approximately 15 hours per day, 7 days a week, 365 days per year, focusing on educating the public on the City Park system and its rules, monitoring recreation and facility amenities, and enforcement of local and State laws including parking regulations. The program works closely with the Santa Maria Police Department (SMPD) in performing its daily tasks and patrols, and actively focuses on resolving lower-level local and State law violations through warnings, citations, and occasional arrests to alleviate some of the calls for service that would otherwise be assigned to the SMPD. One of the program's top goals is to have its officers highly visible throughout the City park system to enhance the public's sense of safety while utilizing the Recreation and Park system's amenities and recreation events. The City Ranger program also provides security services for the Transit Center and Los Flores Ranch Park. There are nine full-time Rangers working under the supervision of a Senior Park Services Officer, and the Director of Recreation and Parks.

The Recreation and Parks Department's Business Manager serves as the liaison between the Department and the Human Resources Division. Functions include coordinating recruitments, employee matters, industrial and non-industrial injuries and leaves, and employee development and training. The Business Manager also serves as the budget manager for the department, and is responsible for developing and monitoring the budget, consolidating purchasing and contracts for the department, ensuring best practices for purchasing are followed, and that funds are utilized appropriately. This effort exemplifies the City's Mission Statement associated with its commitment to a financially responsible government and the efficient delivery of services to the public. Additionally, the Business Manager oversees the workgroups responsible for facility maintenance, event logistical support, graffiti abatement, shopping cart retrieval, maintenance of the department's vehicles and equipment, event registration, and issuing of park and event permits.

RECREATION

The Recreation Division provides a variety of programs and services available to all members of the community. The Division is responsive to the changing needs of this growing community by providing timely and innovative programming. By working in collaboration with many community boards and committees, along with numerous volunteers, the division can expand the level of service and ensure a high standard of quality for all projects. The division is also responsible for providing the full range of publicity that promotes the services offered by the Department and to ensure the community is well informed about the availability and benefits of Department programs and services. This program promotes grant research, preparation of grant applications, and seeking out donations and program sponsorships toward expanding opportunities to youth and families. Working in conjunction with the Department's non-profit partner, People for Leisure and Youth, Inc. (PLAY, Inc.), this program is very successful in acquiring supplemental funding for youth recreation scholarships, equipment purchases, and program support.

The key program areas of the Recreation Division follow with a brief description:

Senior Services

The Department-led Active Aging Committee identifies and brings together public, private, and non-profit organizations and businesses that are willing to partner to implement recreation and leisure programs and events for individuals age 50+ to promote the positive benefits of living an active lifestyle. Active Aging Week is held annually in September and is a main priority of the committee, with over 50 free activities designed and implemented for seniors. Numerous health and wellness programs and monthly presentations are held in partnership with senior social service agencies.

Aktion Club of Santa Maria

Aktion Club is a community service organization for individuals with disabilities to give back to the community through service projects and fundraising. This is a joint program of the Recreation and Parks Department and Kiwanis of Santa Maria- Noontime. Approximately 25 members meet bi-weekly to plan events for other individuals with disabilities; service projects provide college scholarships to local youth and raise funds to support community needs. Last year, the Aktion Club donated over $25,000 to community projects and scholarships. This program achieves the City Council's goal of providing more family recreation activities.

Community Events

Each year, a variety of community-wide events are coordinated through the Community Events Program. Annual events include: Lights, Sights, and Holiday Nights Home Decorating Contest; Concerts and Movies in the Park; The Recreation and Parks Department 's Dia de Los Muertos event, celebrating the Mexican tradition of honoring those family members and friends who have passed, has been well-received as a cultural bridging event, recognizing our diverse community. PLAY, Inc. holds a community Christmas tree lighting event in front of City Hall before the annual Parade of Lights event along Broadway (Highway 135). In addition to the Department's events, many community events benefit from the Department's support and coordination. These events include the Rotary Parade of Lights, the Elks' Rodeo and Parade, Veterans' Stand Down, the Children's Discovery Museum, and the Kite Festival at Rotary Centennial Park. In partnership with Elks' Recreation, Inc. the Department provides support for great family events including Christmas in the Country and Haunted Hills events held at the Elks' Event Center. Many of these events assist in achieving the City Council's goal of providing more family recreation activities.

Youth Programs

Youth Programs consist of an array of services offered by several sections of the department.

The afterschool drop-in program is available in four city parks and operates as the popular Rec' on the Move. Rec' on the Move offers many outdoor activities and games that will keep children safe throughout the school year, during holiday breaks, and summer vacation. Participants have the opportunity to stay active, learn new games, camp songs, and make new friends while having fun.

The following youth programs/opportunities are offered at the Youth Center:

- Programs and services directed at youth from 7th grade through the 12th grade.
- Recreation programs and educational support services are offered 6 days per week.
- Training and access to computers, with computer assistance.
- Physical fitness equipment and training.
- Music and video media programs.
- Access to other youth-serving agencies.
- Arts resource center

Mayor's Youth Task Force on Youth Safety

Along with the Mayor, the staff at Recreation and Parks have collaborated with Santa Maria High School and Pioneer Valley High School to form a Mayor's Teen Advisory Council. These groups work on creating programs and services geared to help involve youth in diversion activities to prevent youth violence. Teens provide the Mayor and staff valuable input and solutions for additional youth and teen programming including Pop-Up Activities at parks, cultural and educational tours to museums and universities, free transportation passes for local youth, establishment of a youth safety net resource called "Safe Places," and two leadership academies sponsored by a national fast-food chain.

Youth and Adult Sports

Department staff administers a wide range of youth and adult sports programs for the benefit of City residents and non-City residents. These sports activities include basketball, softball, volleyball, tennis, lawn bowling, soccer, dodgeball, and pickleball. Junior Giants Program, sponsored by the San

Francisco Giants Community Fund, provides introductory-level baseball skills, friendly competition, and instills personal development skills in each of its weekly lesson plans. Department staff also facilitates the operation efforts of numerous community-based sports organizations including Little League baseball, Babe Ruth baseball, youth football, senior and girls softball, and youth and adult soccer.

The staff ensures the availability of a broad range of sports facilities and activities for all residents. City agreements with the elementary school, junior high school, high school, and community college districts provide the community with access to their sports facilities. In addition to these fixed programs, the appetite for competitive sports brings thousands of out-of-town sports participants to compete, stay in local hotels, eat at local restaurants, and purchase goods from local businesses.

Aquatics

Youth and adult swim lessons, public swim, lap swim, exercise classes, and private pool parties make up the core services in the Aquatics program. The Aquatics program focuses on providing participants with a basic knowledge of water safety by offering an array of swim lessons. The Paul Nelson Aquatics Center has various amenities such as a zero-entry pool, deck chairs, umbrella waterfall, frog and turtle slides, and special theme days, and is a family destination for the entire community.

Under contract with the local high school district, the department provides lifeguard and pool maintenance for Pioneer Valley, Righetti, and Santa Maria High Schools' swimming pools. Providing these services to the local high schools allows for Department staff to be efficiently trained and scheduled to meet the community's growing aquatic needs. The Department offers swimming programs at Pioneer Valley High School during the summer months. PLAY, Inc. offers free swim days enabling people from throughout the community to enjoy this beautiful and family-fun-oriented Aquatics Center.

Mosquito Control West Nile Virus

This service is operated within the Department's Special District Division and is supervised by the Special District's Coordinator, who is certified by the State of California Department of Health Services in mosquito control. This service abates mosquito breeding areas, as needed, on public and private property and works to educate the public on the continuing threat of West Nile Virus and prevention techniques.

Los Flores Ranch Park

Los Flores Ranch Park (LFR) staff and volunteers worked hundreds of hours improving the park by adding new trails, planting oak trees, and providing family-friendly activities since 2016. Over 5,000 people have registered to access Los Flores since its opening in 2014. During the recent COVID-19 pandemic, LFR was one of the resources used by an average of over 300 people daily to get out to nature and relieve the stress created by the pandemic. With nearly 1,778-acres, LFR offers a rare mix of environmental education, recreation, and more than 18 miles of equestrian/mountain biking and pedestrian trails. Los Flores offers free outdoor educational programs to the community such as school field trips, Nature Walks every second Saturday of the month, Outside Nature Play Days every third Saturday of the month, March through November, Moonlight Night Hikes, and Star Gazing parties. Los Flores is operated by a full-time Recreation Coordinator, a part-time Education Coordinator, and three limited-service Guest Services staff. A volunteer-docent staff of 20 assists the Department in addressing critical park maintenance, trail patrol, providing outdoor educational tours, and serving as hiking guides. Since 2018, Los Flores ranch has partnered with the local agricultural community and high school FFA programs to bring the Santa Maria Valley its own "pumpkin patch" where families have the opportunity to experience pumpkin picking for their fall holidays, as well as a corn maze and several other family farm-oriented activities at a low cost. This program, known as "The Patch" won a statewide award for excellence in City-Business relations. Proceeds from these activities will be applied to expand Los Flores programs/services; scholarships for student volunteers who gain work experience, and seed money for the following year's pumpkin patch.

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
DEMAND/WORKLOAD			
Public Counter Transactions	5,000	13,000	13,000
Facility Bookings/Rentals	3,000	4,300	5,000
Active On-line Registrations	10,000	15,000	25,000
After-School Program Weekly	830	5,420	8,660
Law Enforcement Hours Provided	14,000	17,000	20,500
EFFECTIVENESS/EFFICIENCIES			
ADMINISTRATION			
Department Program Registrations Processed	25,000	70,000	75,000
SPORTS PROGRAMS			
Games Scheduled/Hours of Play	8,000	15,000	25,000
Field Use Hours	30,000	50,000	65,000
FACILITIES			
PNAC Aquatic Use Hours	40,000	55,000	55,000
SMJUHSD Aquatics Use Hours	20,000	24,000	22,000
Facility Attendance	3,000	6,000	8,000
PARKS & URBAN FOREST			
Acreage of Public Areas Maintained	233	235	237
Trees Planted	395	560	600
Trees Removed	633	610	500
Trees Trimmed	4,826	5,600	5,600
Trees Managed	9,862	11,600	11,600
NEIGHBORHOOD RESTORATION PROGRAM			
Square Footage of Graffiti Removed	250,000	275,000	275,000
Shopping Carts Retrieved	7,000	7,000	7,000
MALL GROUNDS AND PARKING			
Parking Area Maintenance/Hours	7,280	7,280	7,280
Landscape Maintenance Districts Acre	171	173	183
LANDSCAPE MAINTENANCE DISTRICTS			
Maintenance/Hours	20,384	22,464	26,208

LANDSCAPE MAINTENANCE SERVICES

Four Landscape Maintenance Districts were formed by the City Council as a means to finance the ongoing maintenance and future renovations of beautification projects in various areas of the City. The creation of these districts is authorized under Section 22500 of the California Streets and Highways Code and the 1972 Landscape and Lighting Act. The districts levy property tax assessments to fund the maintenance of public and private open spaces, rights-of-way, and boulevards within each respective district. For the purpose of easily distinguishing the landscaping maintenance districts, the City has been divided into four quadrants, centered at Stowell Road and Broadway. The districts are identified as Northwest, Northeast, Southwest, and Southeast. Each of the four districts serves as a "Master Special District" (MSD) to various Special Benefit Zones (SBZ), which fund the special landscape features found with a specific development, i.e., multi-purpose trails, parks, roundabouts, and parkways. This MSD assessment varies from one MSD to another based on the square footage of properties and the improvements maintained. Assessments are annually determined and assessed on all properties developed since the creation of the districts.

The landscape maintenance districts derive revenue in two ways: 1) from special assessments of residential and commercial properties that were "conditioned" as part of their Development Permit,

to participate in a landscape maintenance district, and 2) from a City General Fund contribution, which pays for the benefits received by parcels not in a landscape maintenance district. These assessments and benefit calculations are updated annually in the Engineer's Report and used to establish new assessments. District staff strives to be good stewards of these funds, by using the competitive bid process to obtain contract services, performing regular site inspections, performing regular in-house and contracted renovations, and implementing special projects and maintenance-related activities associated with irrigation, construction, graffiti abatement, and tree-related service calls. Districts share the cost of administration by dedicating a percentage of staff time to administer the districts. In addition, the districts maintain a sufficient level of reserves to provide for the ongoing replacement of infrastructure, such as plant material damaged by weather events and traffic accidents, an annual district-wide renovation program, and to fund anticipated capital projects within the districts.

PARKING & LIGHTING MAINTENANCE

The Stowell Parking and Lighting Maintenance District was formed in 1961 by the City Council. Since that time, the Stowell Plaza Shopping Center's (Center) parking lot and landscaping have been maintained by the City, under this special services maintenance district. The Center's property owners pay an ad valorem tax, which provides income to the district to cover the following services: parking lot sweeping, general clean-up, landscape maintenance, electrical lighting of the parking areas, marquee signage maintenance and upkeep, and other common area maintenance. The objective of this ad valorem tax is to provide the district with sufficient revenue to pay for these services. Meeting this objective with the ad valorem tax rate became impossible over the years, however, as annual expenses continued to increase and tax rate revenues remained flat and were not able to keep pace with the service levels needed. Understanding this challenge and the need for improvements at the Center, the Center's owners took a big step toward addressing the problem. The owners have approached the City to provide a loan on two occasions over the past 20 years to fund the gap in parking lot repairs. The first loan of approximately $300,000 was borrowed to make repairs and has been fully repaid with interest by the shopping center owners. In fiscal year 2013-14, approximately $155,800 was borrowed to make additional repairs and was fully repaid with interest in fiscal year 2021-22. Aging asphalt and electrical systems suggest that the owners are facing a choice again on the long-term repairs that are needed.

LIBRARY DEPARTMENT

DEPARTMENT OVERVIEW

PURPOSE

The Santa Maria Public Library system provides Library services to approximately 157,000 people in northern Santa Barbara County at the Main Library, and separate branches located in Cuyama, Guadalupe, Los Alamos, and Orcutt. Santa Barbara County has contracted with the City of Santa Maria to provide Library services to nearby County libraries continuously since 1961. Bookmobile service began in October 2020, expanding Library services to neighborhoods throughout Santa Maria.

Throughout the service areas, libraries are community anchors, providing vital information, computer, and internet access to meet community members' personal, educational, recreational, cultural, and professional needs, especially during tough economic times. Every day, libraries provide free resources for employment seekers, entrepreneurs, new residents, diverse minority groups, English language learners, students, parents, teens, children, and older adults. Whether a visitor needs important medical or legal information, a study room, or is looking for movies, music, a good book, a book discussion group, children's and toddler story time, artistic displays, or an entertaining performer, the library system has something for everyone. Library Saturday Makerspace offers a place for people of all ages to collaborate and create things and free after-school homework help is available during the week to elementary school students.

Electronic resources continue to increase in popularity as seen in the increased number of electronic materials circulated. The Main Library is open seven days a week and the Library website is available 24/7 as a virtual Library branch providing access to free downloadable electronic books, audiobooks, magazines, movies, and specialty databases that benefit students, businesses, and non-profit organizations. Patrons throughout the service area have online access to recommended homework resources, informational databases, mobile hotspots, laptops, Chromebooks, and a Library of Things with musical instruments, telescopes, sewing machines, cameras, and more are available for home use.

SUBPROGRAMS AND THEIR OBJECTIVES

Meet the general informational needs of the community by acquiring and making available a current and useful collection of print and electronic resources, computers, equipment, and special collections, in a space conducive to browsing, in Library reading, programming, and collaborative work.

Meet the special interest needs of the community and enhance the quality of life by acquiring substantial materials in the areas of world languages, language learning, automobile repair, genealogy, technology, employment, and specialized learning and resource kits.

Provide high-quality customer service, available in a bilingual format, with a well-trained, welcoming staff to assist the public with accessing the Library's resources and recommending relevant titles and materials that meet the public's diverse educational, informational, and recreational needs.

Manage the loan of diverse library collections to ensure a proper balance of item lending and retrieval to preserve a high retention rate and maintain positive relations with borrowers.

Facilitate retrieval and full use of desired materials by maintaining a single integrated and easily accessible catalog, providing an easy-to-follow layout of collections, ensuring shelves are restocked

quickly, accurately and neatly, offering information and assistance when needed, reserving temporarily unavailable materials, and borrowing requested materials from other libraries.

Provide access to Library materials and information for persons outside the Library through telephone and digital reference services, an online catalog, electronic databases and materials for virtual library users and by making materials available to patrons of other libraries through interlibrary loans.

Motivate children, young adults, and adults to read for enjoyment and information, and to effectively use print and electronic resources by conducting in-house and outreach activities designed to develop and enhance reading and research skills.

Improve literacy in partnership with the non-profit Central Coast Literacy Council's Literacy Center, headquartered in the Main Library. Adults and children learn to read English with guidance from trained tutors, and in classes taught by trained literacy instructors. The Library provides free office space and access to study rooms for Literacy Council use.

Promote the community's enjoyment of art and culture via rotating local artist exhibits in Shepard Hall, local photographer exhibits on the second floor, children's art in the Youth Services area, and local non-profit community group displays in display cases throughout the Main Library.

Provide three high-quality meeting rooms for use by outside agencies, including the large gathering room Shepard Hall, the Nelson Conference Room, the Learning Center, and study rooms on the second floor for small groups and individuals.

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
Long-Term Financial Sustainability	Research and evaluate opportunities to diversify Library funding by seeking grant opportunities focused on capital projects, professional development, and augmentation of collections and programs, to continue an elevated Library experience for the community.
Community Quality of Life	Continue to promote increased quality of life and the Smart City Safe City Initiative with access to library services embedded into the community through expanded bookmobile services, outreaches, and at least two additional library/community partnerships focusing on non-traditional library services.
	Collaborate with Public Works to begin the next phase of planned floor space redesign to enhance patron library experience, increase safety, and align with current library user needs.
Planning and Infrastructure	Analyze and streamline current library processes to increase use of technology and decrease paper-based systems, improving efficiency and reducing costs, in preparation for the Enterprise Resources Planning System.
Organizational Well-Being	Confirm Library operating values and create an internal/external communications strategy to effectively demonstrate the nature and purpose of library services and boost engagement with the library, to align with the Citywide Communication Plan.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
New Approach to Economic Development	Plan for redesign the layout of the Library café and lobby area to create flexible space for revenue building ventures and to offer an environment that welcomes community engagement and encourages participation in Library resources.
Provide Youth Opportunities	Partner with school districts and community organizations to gather data on school readiness gaps to complete an updated library early learning needs assessment. This will be used to inform potential updates to early learning programming opportunities.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
PROVIDE PUBLIC SAFETY RESOURCES	Coordinate with Recreation & Parks and Human Resources to develop and implement a collaborative evaluation system for new Library Security Guards to ensure that both security and Library industry acumen are represented, and employees are performing consistently.
ESTABLISH A STAFFING PLAN	Examine current staffing, anticipate future needs and design a forward-thinking staffing plan to address Library workforce retention, development and engagement, as part of the Library's strategic plan.
	Implement the use of new professional development series for Library staff to increase staff skill development and job satisfaction.

ACCOMPLISHMENTS

Some notable accomplishments for the Library include:

- Enhanced Library program opportunities for children and families by partnering with Children's Resource and Referral and other community organizations to establish an Early Learning Library Hub and Library programs in alternate community physical locations around the community.
- Supported the Smart City, Safe City vision by expanding Bookmobile services in the City.
- Implemented two part-time dedicated Library Security Guards, through Measure U funding, to provide continued safety for Public Library users and staff.
- Laid the framework for creating an internal professional development series for library personnel to increase technical proficiency and industry knowledge, leading to higher staff engagement and job satisfaction.
- Evaluated current trends for collection development and circulation to adjust purchasing allocations, maximizing available funding, and increasing operational efficiency.

NOTEWORTHY BUDGET HIGHLIGHTS

- The Bookmobile expanded its outreach efforts by continuing pop-up locations on Saturdays and increasing attendance at outreach events. The Bookmobile increased partnerships to bring the Library to those who don't have the ability to visit a brick-and-mortar location. The Bookmobile is funded by Measure U to visit underserved populations within the City. Recently, the County provided additional funding for the Bookmobile to visit unincorporated areas within our Zone 3 service area. These funding sources will allow the Bookmobile to magnify its reach and serve as a vehicle to engage and spark an interest in lifelong literacy and learning.
- County funding for branches in 2023-24 increased to $8.88 per capita. However, this funding level continues to be insufficient for operational costs. Branches are unable to support adequate collections or higher levels of staffing, such as professionally trained Librarians. In Orcutt, Cuyama, Guadalupe, and Los Alamos, the per-capita funds and non-profit Library support group donations go directly towards branch operations. While these generosities from support groups are appreciated, they are not sustainable. To ensure funds are spent in alignment with the County-wide Operating Agreement, the Library conducted an audit of operational costs and developed a streamlined, efficient, and accurate method for the tracking and reporting of County funds. The study further supported the need for increased funding for branch library operations.
- The Black Gold Cooperative Library System membership fees for 2023-24 were $273,920 and are expected to increase by eight percent in year one and an additional five percent in year two. Black Gold Cooperative Library System membership provides the Library's shared catalog, server maintenance and system support for the catalog and public computers at the Main Library and branches, and sharing of digital resources, databases, and physical materials.
- To provide a safe and welcoming space for Library users and staff, quality safety equipment is a necessity. In 2023, new lighting was installed on the second floor, near the study rooms, to ensure all areas inside the library are well it, while improving the safety of patrons and staff, and providing an improved library experience. The Library is replacing 42 analog security cameras with 25 digital cameras which will capture clear images to be used when Library staff manage

patron relations with City Rangers, Police, and the City Attorney's Office. These projects align with the City Council's priority for public safety and will create a safe and secure environment for patrons and staff when at the Library.

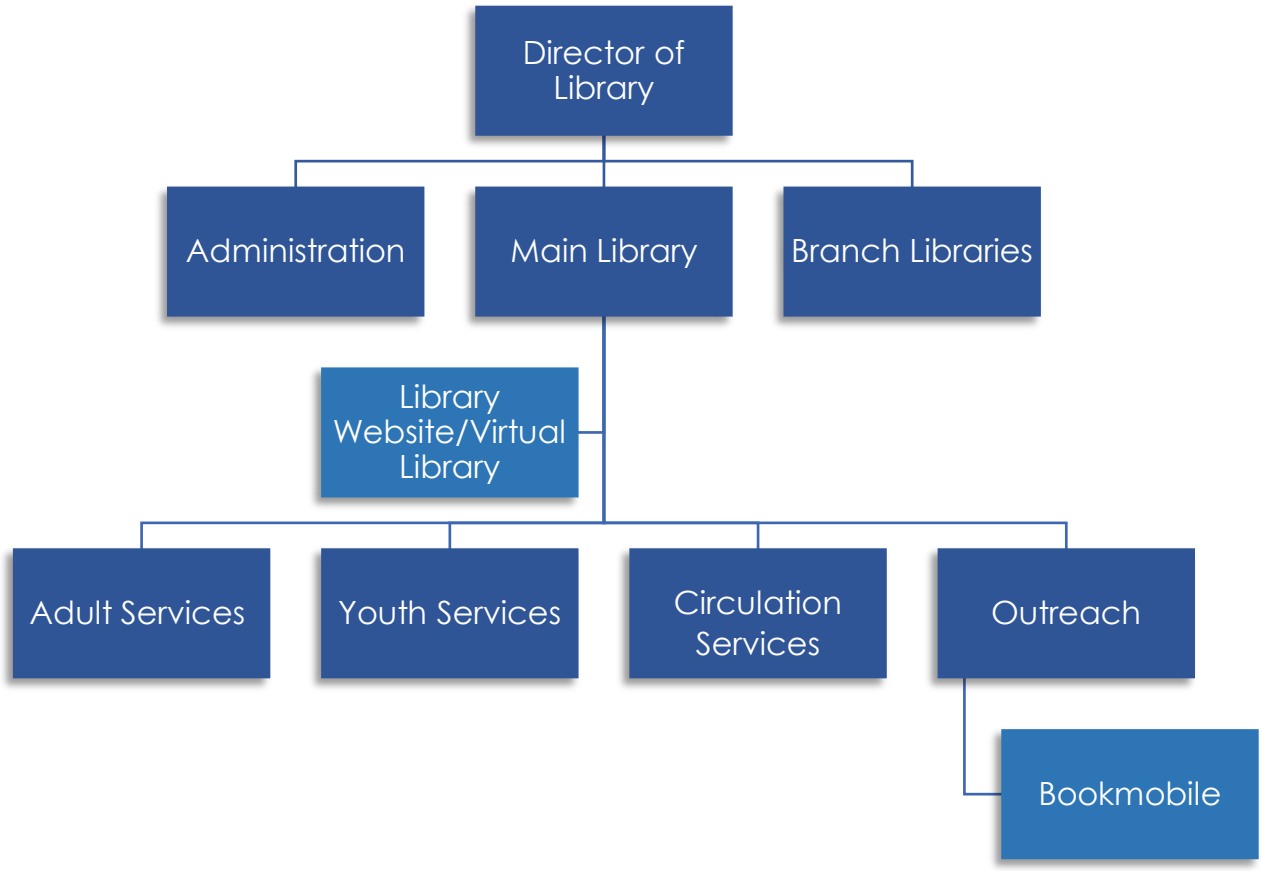
- The Library added two part-time Security Guards to provide security coverage for all open Library hours and is working in conjunction with Recreation and Parks to train and onboard the new staff members. The Security Guards will patrol the Library and adjacent areas, welcoming patrons, diffusing potential issues, and supporting staff when further enforcement is required.
- Continuing with the Library's goal of safety, additional keyless security access readers were installed. These additional readers increased ease of access for staff when setting up frequently used rooms, breaking down rooms, or conducting programs. The readers also increased staff safety by allowing keyless entry in emergency situations and blocking access for unauthorized persons.
- The Library Café was altered in 2021, to accommodate the City Clerk's Office during the City Hall remodeling project. Funding sources will be sought to reconfigure the space for current use need, including passports and food service, both revenue generators for the Library. Reconfiguring the space will allow for expansion and increased confidentiality for passport services, as well as reintroducing refreshment services in the Library Café area. Reestablishing use of this space will provide both additional revenue and security in the lobby area, due to an increased presence from both staff and patrons.
- Staff analyzed changes to patron use of Library collections due to changes in the Black Gold Cooperative Library System membership and used the data results to set ongoing goals for collection development. In an analysis of patron use trends during the last fiscal year, we found that use of digital materials had increased 14 percent and use of physical items increased approximately 15 percent. In the previous budget cycle, the Library received $30,000 for years one and two from Measure U to meet anticipated changes in patron borrowing. Though this assisted in closing the gap it is not sufficient to meet the increasing demand in overall borrowing. This additional funding will allow the Library to continue offering a diverse array of core titles and high circulation items, in physical and digital formats, to meet the needs of our community.
- Through Measure U funding, the Library restored Sunday hours in 2023 and expanded Bookmobile services, by funding an additional Assistant Library Technician to the Outreach division. With the Library increasing and expanding service levels there is also a need to consider reclassification of current positions. The Library is requesting the part-time Graphics Technician to be reclassified to a full-time position. The Graphics Technician creates and curates all displays, newsletters, calendars, fliers, social media graphics, and signs for the library, and assists other City departments with graphics requests. Reclassifying the position to full-time will allow the Graphics Technician to meet increasing demands for promotional material, encourage longevity with the organization and give more opportunities to create, design, and expand upon existing outreach campaigns.

PERFORMANCE/WORKLOAD MEASURES

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
DEMAND/WORKLOAD			
Average Annual Library Patron Visits	59,160	208,282	218,696
Average Annual Library Cardholders	50,335	49,217	51,677
Materials Checked Out:	623,226	793,555	833,231
Main Library	351,812	524,346	550,563
County Branches	104,582	105,617	110,897
e-Materials Checked Out	166,832	163,592	171,771
EFFECTIVENESS/EFFICIENCIES			
Special Programs and Exhibits	583	1,585	1,664

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
Program Attendance	10,501	35,442	37,214
Computer Sessions	20,432	64,045	67,247

DEPARTMENT ORGANIZATION



A complete schedule of the department's positions, a summary of changes, and a detailed explanation of position changes can be viewed at *Personnel - Library* on page 191.

BUDGET OVERVIEW

Budget Summary by Expenditure Category - All Funds

EXPENDITURE CATEGORY	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Salaries & Benefits	$ 2,632,039	$ 2,837,865	$ 3,575,660	$ 4,131,247	$ 4,327,553
Services & Supplies	1,307,704	1,316,572	1,341,451	1,407,004	1,422,004
Capital & Outside Agencies	7,875	11,407	35,000	45,000	20,000
Transfers	2,614	725,313	725,313	948,995	948,995
Total Budget	**$ 3,950,232**	**$ 4,891,157**	**$ 5,677,424**	**$ 6,532,246**	**$ 6,718,552**

Budget Summary by Fund	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
FUND					
009 - Library Fund	$ 3,331,160	$ 4,064,467	$ 4,489,597	$ 5,517,537	$ 5,692,582
011- Measure U Fund	619,072	826,690	1,187,827	1,014,709	1,025,970
Total Budget	**$ 3,950,232**	**$ 4,891,157**	**$ 5,677,424**	**$ 6,532,246**	**$ 6,718,552**

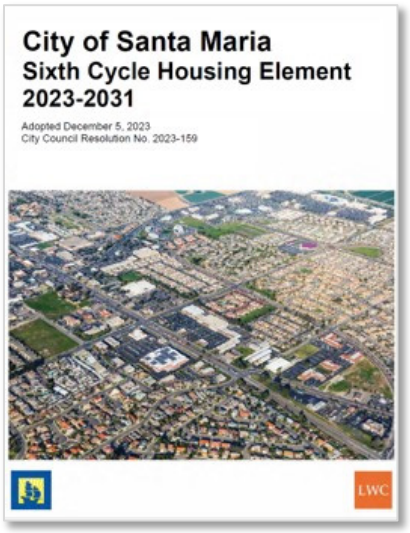
Budget Summary by Program - All Funds	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
PROGRAM					
Leisure & Cultural Services					
0720 - Santa Maria Main Library	$ 2,949,738	$ 3,560,167	$ 3,923,094	$ 4,863,089	$ 5,028,484
0730 - Cuyama Branch	13,670	22,326	26,911	39,887	40,853
0740 - Guadalupe Branch	41,247	46,394	84,810	121,064	122,994
0750 - Los Alamos Branch	42,812	70,421	64,584	105,199	107,971
0760 - Orcutt Branch	184,445	253,462	276,054	380,574	384,556
0780 - Extension Services	99,247	111,697	114,144	7,724	7,724
0790 - Measure U Public Safety	-	673	146,156	192,695	174,075
0791 - Measure U Youth Services	601,752	784,231	880,795	642,581	667,080
0792 - Measure U Quality of Life	17,320	41,786	160,876	179,433	184,815
Total Leisure & Cultural Services	**$ 3,950,232**	**$ 4,891,157**	**$ 5,677,424**	**$ 6,532,246**	**$ 6,718,552**
Total Budget	**$ 3,950,232**	**$ 4,891,157**	**$ 5,677,424**	**$ 6,532,246**	**$ 6,718,552**

COMMUNITY DEVELOPMENT DEPARTMENT

DEPARTMENT OVERVIEW

MISSION STATEMENT

The Community Development Department is committed to the highest level of public service through neighborhood enrichment, arts, innovation, safety in our built environment, and economic growth that collectively improves the quality of place for our community.



PURPOSE

The Community Development Department reviews all residential, commercial, and industrial projects in the City. The Department also coordinates the "planned development" of the City with other City departments and agencies. The Planning Division promotes the orderly development of the City and strives to ensure a high-quality community-first environment consistent with applicable State laws and the goals, policies, objectives, and programs of the General Plan and Santa Maria Municipal Code. The Building Division is responsible for monitoring construction activity, and to determine that any ongoing construction project has the required permits and conforms to the approved plans, and any conditions of approval.

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
LONG-TERM FINANCIAL SUSTAINABILITY	Continue the multi-year process of a comprehensive update to the City's General Plan, following direction from the City Council on a Preferred Alternative direction for future growth. Aim for final adoption in FY 2025-26.
COMMUNITY QUALITY OF LIFE	Implement the adopted and State certified 6th Cycle (2023-2031) Housing Element programs and monitor and report on the results of the programs through the annual progress report, pursuant to Government Code section 65400.
	Continue to participate in the potential development and implementation of a grant-funded, workforce homebuyer down payment assistance program to assist qualifying, first-time homebuyers.
	To establish defined architectural and site standards in an effort to maintain high-quality design and construction, and to streamline project review, staff will bring to the Planning Commission and the City Council for adoption, Objective Design Standards for residential developments.
	Engage in seeking and potentially securing grants and other outside funding to address homeless-related items. This may be done independently or collaboratively with other agencies and municipalities. Work cooperatively with other agencies and service providers to reduce homelessness and the impacts of homelessness on the community.
PLANNING AND INFRASTRUCTURE	The City will be working with the Santa Barbara County Local Agency Formation Commission (LAFCO) on a Memorandum of Agreement (MOA) for Sphere of Influence boundaries and the identification of areas for future growth and/or for preservation. The City will also work closely with Santa Barbara County and other jurisdictions and agencies in this effort.

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
ORGANIZATIONAL WELL-BEING	Coordinate with downtown property owners, including Santa Maria Town Center, on property improvement efforts. Begin the multi-year process of creating a Downtown Business Improvement District, in collaboration with the Chamber of Commerce, to identify its geographic scope and establish a funding mechanism for downtown enhancements.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
NEW APPROACH TO ECONOMIC DEVELOPMENT	Facilitate the continued planning and development of the Area 9 Specific Plan and work with property owners and developers to provide infrastructure to support future uses that would result in new employment opportunities. If residential uses are proposed in Area 9, ensure land use compatibility between differing uses and adequate public services and amenities for future residents.
PROVIDE YOUTH OPPORTUNITIES	Utilize both public and private investments to stimulate Downtown, including City-owned parcels within Downtown, and in compliance with the State's Surplus Lands Act. Complete the Development Agreement between the City and its selected partner, Vernon Group, on the surplus parcels, including affordability covenants on a percentage of the residential housing units, and agreements to provide community amenities in Downtown, such as commercial and entertainment uses, open spaces and plazas
PROVIDE PUBLIC SAFETY RESOURCES	Continue proactive Code Enforcement efforts to reduce blight, graffiti, illegal dumping, and secondary effects from homeless encampments in the residential and business community. Engage with community residents through quarterly, bilingual "Walk and Talk" programs.

ACCOMPLISHMENTS

- Continued the comprehensive update to the City's General Plan for target year 2045. Completed the Alternatives Phase with the City Council's direction in December 2023.
- Achieved State certification of the City's General Plan Housing Element by State Housing and Community Development (HCD).
- Continue implementation of the Downtown Specific Plan, by working with property owners and developers to encourage construction of new housing, retail and employment uses and amenities.
- Updated the City's permitting software, Trak-It, to the new Central Square Community Development software. Transitioned from paper plan review to digital plan review and online submittals.

NOTEWORTHY BUDGET HIGHLIGHTS

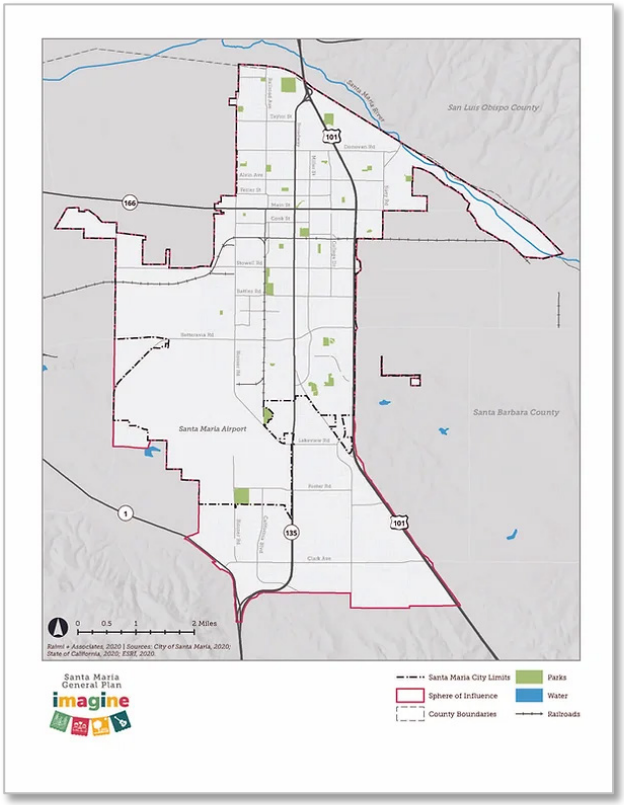
- The City will complete the comprehensive General Plan update in FY 2025-26, concluding a multi-year effort of community outreach, research and analysis, stakeholder engagement, and environmental review. In 2023 and 2024, the City will develop goals, objectives, and policies that will support the overall vision and guiding principles and draft an environmental impact report to analyze the impacts of the selected land use and transportation plan.
- The City will be working with the Santa Barbara County Local Agency Formation Commission (LAFCO) on a Memorandum of Agreement (MOA) for Sphere of Influence boundaries and the identification of areas for future growth and/or for preservation. The City will also work closely with Santa Barbara County and other jurisdictions and agencies in this effort.
- The City will continue working with developers on potential development in Downtown, including City-owned parcels, located near the historic intersection of Main and Broadway. Proposed plans would introduce new housing and commercial uses, as well as plazas and gathering spaces, and make use of underutilized parking lot areas. Downtown projects including the Heritage Walk Lofts and Alvin Newton Apartments are anticipated for construction in FY 2024-26. During this past year, the Gateway Mixed Use project, located on

the northwest corner of Main and Broadway, was completed, including 18 apartments and a ground-floor restaurant use.

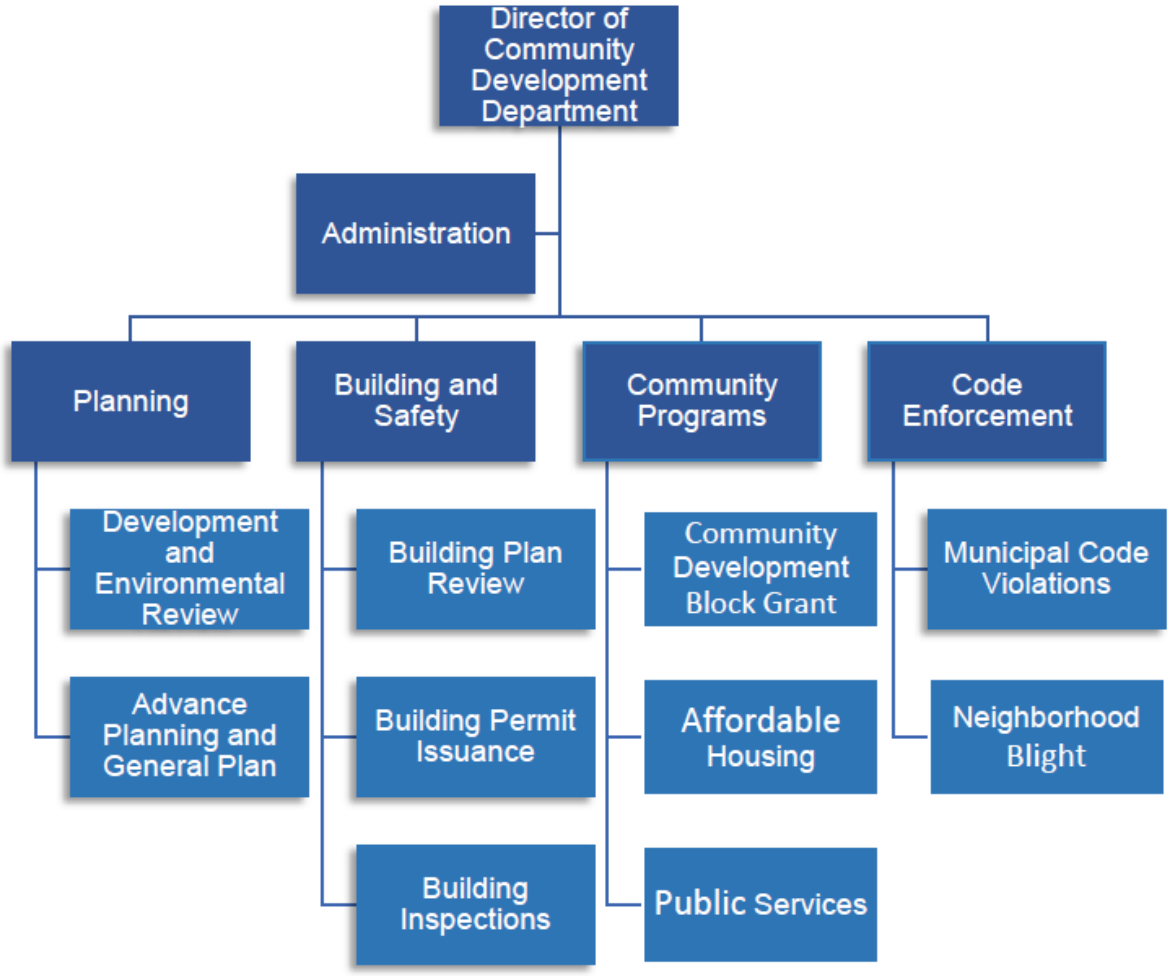
- The Community Development Department is continuing to approve a substantial amount of residential and mixed-use residential/commercial projects. In 2023, the City approved entitlements for the Blosser Ranch Area 5B Specific Plan, which included tract maps and planned development permits for the future construction of 396 single family dwellings, 383 Accessory Dwelling Units (under separate ministerial review), and 829 apartments. The applicant plans to begin construction of this project in late 2024 with estimated completion of the project in 2026. Other projects that the community will see completion of in 2024-2026 includes the Northman single family subdivision (63 homes), Centennial Square (184 units) and Centennial Gardens (160 units) Apartments, Heritage Walk Lofts (102 units), Cook Street Apartments (104 units and 2,075-square-feet of ground floor commercial space), and Alvin Newton Apartments (82 units with 5,760-square-feet of ground floor commercial space) in the Downtown Specific Plan area. Retail commercial development activity is also continuing, with the continued expansion of the auto mall at Enos Ranch and the planned construction of the new Home Motors dealership, and the completion of the construction of a new Starbucks at the prior location. The addition of a new Splash N Dash Carwash is currently in review and is also planned to be constructed within the next two years.
- The construction of Accessory Dwelling Units (ADUs) is continuing at a significant pace, with 204 permits issued in 2020, 399 permits issued in 2021, 466 permits issued in 2022, and 407 permits issued in 2023. As of January 2024, 1,636 permits have been issued for ADUs, with over 1,100 constructed. Another 300 permits for ADUs are currently in plan review.
- The City Council-appointed Block Grants Advisory Committee received a total of 23 applications requesting well over $2 million in CDBG funds for 2024-2025. While the City is expected to receive more than $1.6 million in CDBG funding, only about $1.3 million is allocated for CDBG-funded projects. It is anticipated that the CDBG funding process will continue to remain competitive, particularly with many non-profit organizations losing State and private funding. The adopted budget will have a positive impact on the community by providing funds to help the community's neediest, preserve the City's housing stock, and improve the community's public facilities and infrastructure. The City can provide CDBG funding on an annual basis to local non-profit agencies that provide human services and facilities in the community that help to relieve pressures on the City's General Fund and reduce government costs. Typically, the City's CDBG entitlement amount increases annually, which assists the City in maintaining and even increasing its financial support to non-profit organizations and City projects. However, for two consecutive years, the City's CDBG entitlement amount has experienced a decrease. This contributes to a shortage of money to distribute leading the CDBG funding process to be more competitive than previous funding cycles. This also emphasizes the importance of project readiness and the importance of agency timeliness when it comes to expending Federal funding.
- In accordance with the City Council's priorities, CDBG capital funding will continue to be directed to City-owned facilities and improvements. In the past 10 years, since 2014, an average of 54 percent of CDBG Capital funding has been allocated to improve City-owned facilities and parks which are mainly used by the public. During 2023-2024, a portion of the CDBG capital funding was proposed for ADA and pedestrian safety and accessibility sidewalk improvements in low-to-moderate income areas of the City.
- The City began offering the Minor Home Repair Program during 2013-14 with the assistance of CDBG funding and the non-profit agency, Community Action Partnership of San Luis Obispo County (CAPSLO). The program took the place of a City-funded residential rehabilitation loan program. Because the minor home repair program is funded through CDBG, the agency must reapply every year and take part in a competitive application process. The need for minor home repair is so high that during 2019-2020, CommUnify was also funded to assist with minor home repair, adding a second agency to the list of resources that residents can tap into for services related to their homes. Funding for both agencies is expected to continue during this

budget cycle.

- Regarding HOME funding, the City expects to see a consistent increase in the amount of funding it receives from the County's HOME Consortium. HOME funding is meant to assist with affordable housing projects and services. For 2024-2025, the City expects approximately $300,000 in funding. Since 2010, the City has used a portion of its HOME allocation to fund the Tenant-Based Rental Assistance (TBRA) program. The program is a one-time subsidy that covers 100 percent (or up to $2,500) of a household's rental deposit if the household income qualifies and the rental is within the City limits (exceptions apply). The City averages about five rental deposit requests per month. The remaining amount of HOME funding is usually allocated to an affordable housing project within the City of Santa Maria. A few of the projects funded in the last five years include Good Samaritan Shelter's Pine Street Bungalows II, the Housing Authority of Santa Barbara County's Residences at Depot Street, and People's Self-Help Housing Corporation's Sierra Madre Cottages.



DEPARTMENT ORGANIZATION



The Community Programs Division was transferred to the Department in 2016 and Code Enforcement was transferred to the Department in 2022.

A complete schedule of the department's positions, a summary of changes, and a detailed explanation of position changes can be viewed at *Personnel - Community Development Department* on page 187.

BUDGET OVERVIEW

Budget Summary by Expenditure Category - All Funds

EXPENDITURE CATEGORY	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Salaries & Benefits	$ 3,014,250	$ 3,891,016	$ 4,772,431	$ 5,276,734	$ 5,599,964
Services & Supplies	1,379,085	2,604,065	2,676,903	1,634,719	1,634,719
Capital & Outside Agencies	124,876	200,180	1,030,428	827,628	827,628
Transfers	269,875	2,100,930	521,620	713,324	713,324
Total Budget	**$ 4,788,085**	**$ 8,796,190**	**$ 9,001,385**	**$ 8,452,405**	**$ 8,775,635**

Budget Summary by Fund	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
FUND					
001 - General Fund	$ 4,033,288	$ 5,569,325	$ 6,621,183	$ 6,087,166	$ 6,350,535
011- Measure U Fund	-	418,140	963,250	824,287	884,148
801 – Capital Projects-General	-	48,114	-	-	-
948 – CDBG Fund	754,797	2,760,612	1,416,952	1,540,952	1,540,952
Total Budget	**$ 4,788,085**	**$ 8,796,190**	**$ 9,001,385**	**$ 8,452,405**	**$ 8,775,635**

Budget Summary by Program - All Funds	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
PROGRAM					
Community & Economic Development					
0620 – Planning	$ 1,638,825	$ 1,922,377	$ 3,017,504	$ 1,864,344	$ 1,962,494
0630 – Building	1,934,078	2,307,332	2,315,010	2,613,702	2,747,660
0640 – Community Programs	460,385	488,608	594,971	506,679	527,897
0641 – Code Enforcement	-	899,121	693,698	1,102,441	1,112,484
0692 – Measure U: Quality of Life	-	418,140	963,250	824,287	884,148
0550 – CDBG	754,797	2,760,612	1,416,952	1,540,952	1,540,952
Total Community & Economic Development	**$ 4,788,085**	**$ 8,796,190**	**$ 9,001,385**	**$ 8,452,405**	**$ 8,775,635**
Total Budget	**$ 4,788,085**	**$ 8,796,190**	**$ 9,001,385**	**$ 8,452,405**	**$ 8,775,635**

DIVISION/PROGRAM BUDGETS

PLANNING

The Planning Division writes and updates the City's General Plan consisting of 8 elements, and updates 15 Specific Plans, including the Downtown Specific Plan (DTSP). The Department reviews all projects for zoning compliance, processes land division applications, annexations, Sphere of Influence amendments, and all environmental assessments and reports. This program is intended to promote the orderly development of the City and to maintain a high-quality, business-friendly, community environment consistent with applicable State laws and the goals, policies, objectives, and programs of the General Plan, Specific Plans, and Santa Maria Municipal Code (Municipal Code).

Subprograms and their Objectives

Discretionary Project Review (As required by local, County, and State law)

This subprogram provides the information, review, and processing necessary to ensure projects comply with City, County, and State development regulations. The Planning Division works closely with property owners, developers, design staff, and the interested public during the review phase of a project.

During the review process, the division requests input from City departments and various County and State agencies. After receiving this input, the Division works with the applicant to resolve any remaining issues. The Division schedules the project on the Planning Commission agenda, notices the public, and generates a staff report to be considered by the Planning Commission.

The objective of this subprogram is to provide a timely, efficient, and thorough review process, which ensures projects coming before the Planning Commission and City Council are of high quality, and consistent with the City's development regulations, while not generating adverse impacts.

During the last two-year budget cycle, 2022-24, the Division processed 14 conditional use permits to Planning Commission, 22 planned development permits to Planning Commission, 1 zone text amendment, 2 General Plan Amendments/Rezones, 1 specific plan amendment, 22 Downtown Specific Plan development review permits, and 3-time extensions, and approximately 200 administrative use permits.

Subdivision Review (As required by State law)

Many of the residential, commercial, and industrial projects reviewed and approved by the City involve the subdivision of land, creating individual lots, which can, at a later date, be sold and developed.

The subdivision review process involves coordination with City departments, public utilities, and numerous Santa Barbara County (County) and California State (State) agencies. The Planning Division provides coordination, holds Subdivision Committee meetings, generates meeting minutes, provides the required legal noticing, writes staff reports, and schedules proposed subdivisions before the Planning Commission and City Council.

The objectives of this subprogram are to process subdivision applications in a timely and organized manner and to ensure that subdivisions coming before the Planning Commission and City Council are consistent with the goals and objectives of the General Plan, as required by the State Subdivision Map Act.

In the last two-year budget cycle, 2022-24, this Division processed eight tentative maps, three lot line adjustments, and six lot mergers.

Environmental Review (As required by State law)

Under provisions of the California Environmental Quality Act (CEQA), most discretionary projects within the City are required to receive some level of environmental review. This review provides information regarding environmental impacts associated with particular projects and identifies mitigation measures, which may reduce or eliminate significant impacts. The objective of this subprogram is to provide an environmental review rapidly and cost-effectively, while complying with CEQA. Also, the City monitors all construction projects for compliance with mitigation measures according to State law.

The Community Development Department continues to process routine CEQA exemptions and utilizes previous environmental documents to significantly reduce the circulation of new environmental documents. Six Mitigated Negative Declarations were prepared in the 2022-24 budget cycle, and one Environmental Impact Report was completed within this budget cycle.

General Plan and Long-Range Planning

The objective of this subprogram is to maintain and update the City's General Plan, so the goals, policies, and implementation measures are current and reflect the existing and future needs of the City as required by State law. Subdivision maps, Specific Plans, capital projects, and various land use permits must be consistent with an up-to-date, adopted General Plan.

State law mandates cities to maintain a current General Plan with the following mandated elements: Land Use; Circulation; Noise; Housing; Safety; Open Space; and Conservation. The City's General Plan complies with State law and has combined the mandated Open Space and Conservation elements into a Resource Management Element, which includes optional elements for the Recreation and Parks Department and public facilities and services.

The City is currently updating the General Plan, and earlier in 2021 and 2022, completed the work of data gathering and existing conditions, and public outreach and the development of a vision statement for target year 2045. The City established a Development Advisory Group (DAG) consisting of Department Directors and a Technical Advisory Committee (TAC) consisting of stakeholders representing diverse industries to provide guidance throughout the General Plan process. In 2023, the

City completed the Alternatives phase, in which three different growth scenarios were evaluated, resulting in the selection of one Preferred Alternative by the City Council on December 5, 2023. The next two phases of the project (phases 4 and 5) include completion of an annexation study, drafting of the environmental impact report (EIR) for the General Plan, and the development of a final document consisting of goals, objectives, and policies. The City expects completion of the General Plan update within the 2024-2026 budget cycle.

Zoning Code Amendments

The Planning Division works on zoning code amendments to address emerging issues or to comply with changing statutes. Amendments to the Municipal Code/zoning ordinance included topics of housing, massage business standards, shopping cart containment regulations, and Accessory Dwelling Unit standards. The Planning Division works closely with the City Attorney's Office to ensure that proposed amendments are consistent with local, State, and Federal regulations, as well as with the City's General Plan.

Planning Commission Support

The Planning Division provides comprehensive staff support to the Planning Commission, which includes staff reports, legal noticing, recording of the Planning Commission minutes, and scheduling Planning Commission study sessions, public hearings, and joint workshops with the City Council.

The objective of this subprogram is to provide support and information to the Planning Commission so that the duties and responsibilities of the Planning Commission may be carried out in an informed and organized manner consistent with applicable regulations and laws.

In the last two-year budget cycle, 2022-24, the Planning Commission held 29 study sessions and 29 evening meetings (through January 2024).

Building Permit Application Plan Check

This subprogram provides a plan checking service at the time building and grading plans are submitted to the Department for building permits. The Planning Division reviews building and grading plans to ensure that the plans are consistent with the Municipal Code and conditions of approval placed by discretionary projects, as approved by the Planning Commission and the City Council.

This process is performed concurrently with the Building Division's plan check to minimize the total time required for the plan check. To expedite large projects and provide enhanced customer service, the Director provides the opportunity for developers to submit building plans for preliminary plan check during the planning process. While the developer submits at their own risk, it can save up to two months of review time in the linear development process.

The objective of this subprogram is to ensure that building and grading plans comply with the Planning Commission and City Council conditions of approval and the Municipal Code and State building codes. This process partially implements the State law relative to environmental mitigation measure monitoring. In the last two-year budget cycle, 2022-24, the Planning Division reviewed approximately 2,500 building and grading plans.

Sign Review

This subprogram provides an information and plan checking function. Information regarding City sign regulations is provided to members of the business community, sign companies, and architects. Sign applications are reviewed by Planning Division staff to ensure that future signs will be consistent with adopted City sign standards. The objective of this subprogram is to encourage an attractive and safe business and industrial environment by ensuring that signs comply with the City's sign standards.

In the last two-year budget cycle, 2022-24, approximately 110 sign permits were reviewed and approved.

Public Information

This subprogram is intended to provide information to the public regarding the City's General Plan, Specific Plans, development standards, bi-annual development lists, and monthly Building Activity

Reports. Information is communicated through meetings, telephone calls, e-mails, information posted on the City's website, Planning Commission agendas and minutes, and handout materials. During the 2022-24 budget cycle, staff continued to refine and upgrade the Department's webpages, including public access to all staff reports, environmental documents, and other important reports. The Division will continue to collaborate with the City's Public Information Manager on the use of social media to communicate with the public, in particular, as the City continues work on the comprehensive General Plan Update.

The City is continuing to implement the Language Access Plan (LAP), which describes the City's efforts to ensure meaningful access to City programs and activities by Santa Maria residents who are Limited English Proficiency (LEP). LEP persons are those who, as a result of national origin, do not speak English as their primary language and who have a limited ability to speak, read, write, or understand English.

The Department continues to research methods to computerize historical information on City properties. This program would enable staff, property owners, and the public to easily retrieve such details as past approvals, restrictions, and special conditions. The first step in the process is to provide a limited number of staff reports and environmental documents for projects that are listed on the City-Wide Development Map on the City website.

The objective of this subprogram is to increase the effectiveness of pertinent information available to the public; thereby, improving the public's knowledge of the City's development policies and reducing staff and public time in obtaining and providing the information. This also will be of assistance to the City's goals of economic development and continued revitalization efforts in the downtown.

Computer Support

The objective of this subprogram is to provide the public, staff, the Planning Commission, and City Council with quick and accurate information to make informed decisions that are responsive to the needs of the City.

In 2023, the City upgraded permitting software, Trak-It, for Community Development. The Community Development software includes an online portal that allows applicants to submit permit applications online, check on project status, schedule inspections, as well as other functions. The Community Development Department is currently accepting all building permit submittals through this online portal.

The Department has improved the City-Wide Development Map by providing links from the projects shown on the map to the staff planner's e-mail contact to easily obtain project information. Project and permit tracking is an ongoing administrative task that involves updating the status of development information, which is summarized in the preparation of current development activity lists. In addition to project and permit tracking, conversion of planning files into electronic format is a major objective for the Planning Division, including the imaging, storage, and retrieval of documents. Staff has been preparing project files to be ready for digital scanning. The scanned documents will then be tied to the permitting software and WebExtender for retrieval. Given the large volume of project files in storage, this will be a multi-year project.

Bikeways

The objective of this subprogram is to facilitate the development of bikeways per the City's adopted Master Bikeway Plan. The Planning Division coordinates the incorporation of bikeway facilities into the design of private development plans. The City's Bikeway Master Plan was adopted in November 2009 and is aligned with the Public Works Department's 2020 Active Transportation Plan, each including programs to improve transportation options within the City, including bicycling. The Department continues to coordinate with Public Works staff to ensure that bikeway segments are constructed according to the Master Bikeway Plan when private development occurs along the proposed routes, as well as provide assistance as needed with the application of grant funding.

Landmark Evaluation Support

The purpose of the City's Landmark Preservation Code is to promote the general and economic welfare of the City by preserving and protecting those places, sites, buildings, structures, works of art,

and other objects having a special historical, cultural or aesthetic character or interest for the use, education, and view of the general public, and to remind all residents of the City and visitors of the historical background of the City. Currently, a Planning staff member attends Recreation and Parks Commission meetings and provides staff support to landmark property considerations.

Downtown Committee Support

The purpose of the Downtown Committee is to promote the Downtown Specific Plan and the vision, goals, and policies outlined in that plan. Larger development projects within the specific plan area go before this committee for review and recommendation to the Community Development Department as a part of the development review process. Currently, the Planning Manager facilitates the meetings for this group which are scheduled on an as-needed basis, dependent upon development activity within the specific area. The committee is comprised of one Planning Commissioner, one Recreation and Parks Commissioner, and two Councilmembers (as decided by the respective commissions/council). This responsibility was transferred to the Community Development Department as outlined in the adopted Downtown Specific Plan. The Downtown Committee will continue to be actively engaged in discussions on redevelopment proposals for Town Center West, including proposed development on City-owned lots.

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
PLANNING			
DEMAND/WORKLOAD			
Subdivision Maps and related actions	17	20	25
Permits, Amendments, and Time Extensions	298	200	300
Legislative Actions	11	10	12
Building Permits and Business Licenses	3,082	4,000	4,200

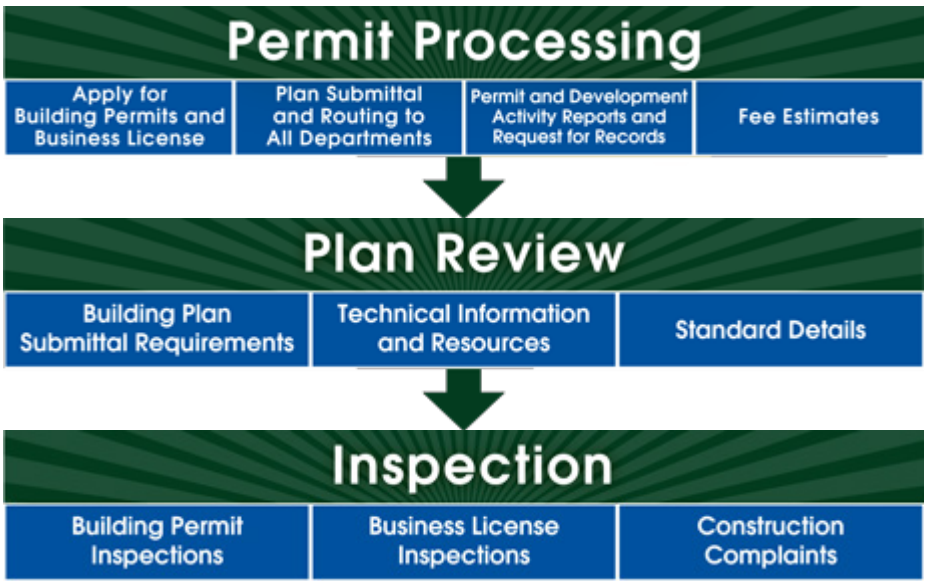
Planning (0620)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 978,544	$ 1,165,222	$ 1,483,714	$ 1,629,067	$ 1,727,217
Services & Supplies	660,281	758,679	1,533,790	235,277	235,277
Total General Fund	**$ 1,638,825**	**$ 1,923,901**	**$ 3,017,504**	**$ 1,864,344**	**$ 1,962,494**
Total Planning	**$ 1,638,825**	**$ 1,923,901**	**$ 3,017,504**	**$ 1,864,344**	**$ 1,962,494**

Planning

17 Subdivision Maps and related actions
298 Permits, Amendments, and Time Extensions
3,082 Building Permits and Business Licenses

BUILDING

The Building Division reviews all building and construction plans for compliance with applicable building codes, issues permits, and inspects all buildings during construction phases. The Building Division reviews all building and construction plans for compliance with applicable building codes, issues permits, and inspects all buildings during construction phases. The Building Division is responsible for the administration and enforcement of State and local codes, City ordinances, and building code regulations for construction, alteration, maintenance, and use of privately owned structures, appurtenances, and land. These regulations include building; housing; dangerous building; mechanical; electrical; plumbing; swimming pools; sign codes; demolition; disabled access requirements; and State-mandated energy regulations. The Building Division provides plan check services, issues building permits, performs inspections, and acts as a resource to the community by providing information and advice to the public, contractors, and designers on building matters. Currently, the program is comprised of the following subprograms:



Subprograms and their Objectives

Processing

The Building Division's front counter aims to be a one-stop shop where plans and other documents are received from the applicant. To improve customer service and efficiency, the building division is accepting all building permit submittals through the Community Development software online portal. Permit technicians route all necessary plans and documents to the appropriate departments for their review most expeditiously and accurately as possible, while maintaining effective control of all project plans and documents during processing and plan review. When all reviews are completed, permit technicians compile the corrections from different departments into one single corrections list to provide to the applicant. This process is repeated until all corrections are made to the satisfaction of the various departments.

Plan Review

All plans are reviewed as quickly as possible, without compromising public safety, to ensure conformance with applicable regulations. Where corrections to the plans are required, the plans examiner provides a corrections list for the applicant. Plans examiners are available and willing to discuss technical code issues and assist designers, builders, and homeowners in achieving compliance

with applicable regulations in the most cost-effective way possible. The Building Division strives to provide a timetable of six to eight weeks for the first plan review. Currently, due to limited availability, Express Plan-Check is only available for projects when all departments that require review can meet the expedited timeline of 14 business days and where the applicant is willing to pay more for the direct costs of having plans evaluated more quickly.

Fee Collection

Permit Technicians ensure that all fees, lawfully due to the City, are accurately determined, assessed, collected, identified by account, and forwarded to the Finance Department. The Building Division is expecting revenues to remain at the 2022-23 level, with ongoing development activity for the next several years.

Permit Issuance

After the completion of the plan review process, permit technicians stamp and prepare the job set and office set of approved plans as well as the permit job card and department clearance card for issuance to the contractor. Currently, much of this is processed using the newly implemented Community Development (Central Square) software. In 2023, the Building Division worked closely with Information Technology to update the City's permitting software, from Trak-It, which was no longer supported. In addition, an online portal was created so that property owners and developers can apply for a permit and submit construction documents online via the City's website. Approved plans, permits, and submittal documents are electronically scanned after project completion to provide easy access for staff and the public via WebExtender. The Building Division can only issue permits to those persons legally authorized to obtain permits according to the State of California Business and Professions Code and State Contractor's License Law.

Inspection Services

The Building Division inspectors ensure that all buildings and structures, within the City limits, are constructed in conformance with approved plans and the minimum standards of applicable building code regulations. Whenever possible, inspectors are available and willing to provide information and assistance to homeowners, contractors, and design professionals, and through conscientious and fair application of building code regulations, provide for the safeguarding of life, health, property, and the public welfare. The Building Official oversees the adoption of new codes and regulations for each tri-annual code cycle, adopts and implements new building codes, and proposes City amendments, where appropriate.

Water Meters

Water meter applications and fees are received by this Division and the customer is asked to fill out a signature portion stating that the customer will be responsible for the utility bill. Once fees are collected, the information is forwarded to the Finance Department, and a copy of the application is forwarded to the Utilities and Public Works Departments to facilitate the scheduling of the water meter installation and inspection.

Business Licenses

Business license applications are received and reviewed for compliance with the Municipal Code. To verify compliance with health and safety regulations, a building inspection is scheduled for commercial locations. Fees for zoning, Certificate of Occupancy, and inspection are collected.

Historical Information

The objective of this subprogram is to provide computerized historical permit information to assist various City departments in several ways. Many new permit submittals require historical data to properly plan check the submittal. As an example, the City's Code Enforcement Division staff will need to determine what has been permitted on a particular site when its staff suspects a violation such as an unpermitted building addition. Also, the public utilizes this information for a variety of reasons. Realtors can use the information in preparing sales packets for properties where historical development information is available to potential buyers. Also, a homeowner can check to see if

additions from prior owners were done legally. Staff continually updates and digitizes hard copy information to allow direct public access to City records. The public can view records, independently; thereby, requiring less staff time to research these records. Digitizing this information relieves the need for large storage areas and saves time in information retrieval.

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
BUILDING			
DEMAND/WORKLOAD			
Construction Valuation	$248,270,352	$200,000,000	$250,000,000
Building Permits	4,968	4,500	5,300
Construction Inspections	29,237	30,000	32,000
Business License Applications	993	433	750

Building (0630)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 1,667,631	$ 1,831,843	$ 2,029,089	$ 2,312,852	$ 2,446,810
Services & Supplies	266,447	425,909	285,921	300,850	300,850
Capital & Outside Agencies	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers	-	-	-	-	-
Total General Fund	**$ 1,934,078**	**$ 2,261,251**	**$ 2,315,010**	**$ 2,613,702**	**$ 2,747,660**
801 - CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ -	$ 48,114	$ -	$ -	$ -
Total Capital Projects-General Fund	**$ -**	**$ 48,114**	**$ -**	**$ -**	**$ -**
Total Building	**$ 1,934,078**	**$ 2,309,365**	**$ 2,315,010**	**$ 2,613,702**	**$ 2,747,660**

CODE ENFORCEMENT

The Code Enforcement Division is charged with the enforcement of the Municipal Code, thereby ensuring a safe environment and enhanced quality of life for residents and businesses. This division responds to resident and business complaints through services request forms. Overall, Code Enforcement's efforts are directed to address and mitigate neighborhood blight.

During the last budget cycle, the Code Enforcement Division successfully transferred from the City Attorney's Office to the Community Development Department, including a relocation of their offices to a location adjacent to the Planning, Building, and Community Programs divisions. This allowed for closer coordination with operational departments involved in zoning, building construction, and human services.

Code Enforcement Officers must obtain certification from the California Association of Code Enforcement Officers and Peace Officers Standards Training certification. In 2021, SB 296, the Code Enforcement Officer Safety Standards Bill, was passed. Code Enforcement will be preparing the City's Code Enforcement Officer Safety Standards to formalize the City's existing safety protocols, incorporate current best practices and address case load and other work-related hazards to ensure that officers in the field are safe, focused and well-equipped to perform their duties.

Oversight of the Animal Control contract were transferred in 2022. The current contract with the County is $912,540.

Subprograms and their Objectives

Substandard Housing

Code Enforcement is the City's enforcement arm for substandard housing cases. These include dilapidated buildings; homes that lack water, gas, or electricity; mold or insect infestations; collapsing roofs; water damage; unpermitted construction and remodels; and many other violations that make a home unfit for human habitation. Normally, these cases involve low income or otherwise vulnerable members of our community that are taken advantage of by unscrupulous landlords. Many apartment and other rental complexes in the City are in terrible and dangerous condition. These cases take significant resources to process, both from Code Enforcement and the City Attorney's Department, and are often drawn out by the Court system.

"Pop-up" Food Sales and Sidewalk Vendors

Code Enforcement continues to partner with the Santa Barbara County Public Health Department to address enforcement against illegal "pop-up" food sales. These include unpermitted sidewalk food vendors, and/or illegal cottage food production and sales, often found at residential properties unpermitted for commercial food preparation.

Mobile Car Washes and Prohibited Discharge

Code Enforcement continues to respond to complaints and proactively addresses illegal mobile car wash operations. These operations usually result in stormwater runoff and pollution violations resulting from discharge of wastewater and other chemicals into public streets. Code Enforcement also responds to other illegal discharges, such as automobile fluids and other harmful solutions.

"Walk and Talk" and Community Education

Code Enforcement conducts regular, bilingual "Walk and Talk" programs that provide an opportunity to educate residents on common or problematic Municipal Code violations in their neighborhood before returning later in the year to correct any unremedied issues via enforcement. Walk and Talks are hands-on, door-to-door community outreach that shows residents that Code Enforcement Officers are real, caring people that live in this community and want to see it made better for everyone.

Community Task Force

Code Enforcement chairs the Community Task Force meetings. These meetings providing attending departments an opportunity to discuss issues they are encountering in the community and request Code Enforcement's assistance. Regular attendees include the Police Department, City Rangers, and Utilities, though the Community Task Force meetings are open to all departments and staff in the City.

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
CODE ENFORCEMENT			
DEMAND/WORKLOAD			
Code Compliance Violations Cleared	7,503	6,200	6,500
New Municipal Violations	7,577	5,873	7,800
Compliance Orders Issued	516	220	700

7,503
Code Compliance Violations Cleared in 2020-22

Code Enforcement (0641, 0692)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ -	$ 253,716	$ (3,602)	$ 126,572	$ 136,615
Services & Supplies	-	645,405	697,300	975,869	975,869
Total General Fund	**$ -**	**$ 899,121**	**$ 693,698**	**$ 1,102,441**	**$ 1,112,484**
011 - MEASURE U QUALITY OF LIFE					
Salaries & Benefits	$ -	$ 246,068	$ 819,521	$ 743,662	$ 803,523
Services & Supplies	-	44,252	55,947	80,625	80,625
Capital & Outside Agencies	-	40,039	-	-	-
Transfers	-	87,782	87,782	-	-
Total Measure U Quality of Life	**$ -**	**$ 418,140**	**$ 963,250**	**$ 824,287**	**$ 884,148**
Total Code Enforcement	**$ -**	**$ 1,317,261**	**$ 1,656,948**	**$ 1,926,728**	**$ 1,996,632**

COMMUNITY PROGRAMS

The Community Programs Division administers the Federal Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships (HOME) Program, and other related Federal and State grant programs. The Division implements many special projects and programs related to affordable housing, public services, public and non-profit facilities, as well as downtown revitalization. The Division provides support to the City departments in applying for grants to secure outside funding sources.

Subprograms and their Objectives

Community Development Block Grant (CDBG) Program

Administer the CDBG Program, in close coordination with the U.S. Department of Housing and Urban Development (HUD), including the supervision of a variety of programs and projects designed to build a stable economic environment, maintain suitable living conditions, and expand the supply of affordable housing.

Public Services

Assist approximately 10 to 15 non-profit agencies, annually, in providing public services that prevent homelessness and address the critical emergency, housing, health care, and service needs of persons and families living in poverty; the elderly; persons with mental, physical, and developmental disabilities; and persons living with diseases.

Support and develop social services that prevent crime and provide positive educational and youth development opportunities needed by at-risk youth and families to achieve success.

Affordable Housing

Develop and support programs and projects to increase the supply of affordable housing for low- to moderate-income households and maintain and upgrade existing low- and moderate-income neighborhoods.

Administer a residential rehabilitation (minor home repair) program to preserve the affordable housing stock in the City.

Administer a Tenant-Based Rental Deposit Assistance (TBRA) program to facilitate permanent housing for low-income households.

Revitalize Existing Neighborhoods

Revitalize existing neighborhoods in low- to moderate-income areas by increasing services such as supportive social services, and upgrading public infrastructures, such as street lighting, improved sidewalks, parks, and recreational public facilities.

Public and Non-Profit Facilities Program

Set aside grant funding to upgrade City-owned public and non-profit facilities and improvements that benefit low- and moderate-income persons and neighborhoods in the community.

Grant Coordination

Seek and secure new grants and outside funding sources for the City to reduce financial burdens on General Fund departments. Also, provide technical assistance to City departments in grant writing and management.

Performance/Workload Measures

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
COMMUNITY PROGRAMS			
DEMAND/WORKLOAD			
CDBG Capital Projects (managed/monitored)*	9	9	9
CDBG Public Services Activities (managed/monitored)**	29	24	27
CDBG-CV Public Services & Capital Projects	4	0	0
Grants Reports Generated (CDBG, HOME, PLHA)	6	4	6
Minor Home Repair Applications/Projects***	65	145	99
Tenant-Based Rental Deposit Assistance Households****	169	121	120
EFFICIENCIES/EFFECTIVENESS			
Community Workshops (CDBG Needs, Pre-Application)	4	4	4
Community Programs Newsletters and Surveys	27	26	27
Host "Brown Bag" Collaboration Meetings	8	8	8
Block Grants Advisory Committee (BGAC) Meetings	22	22	22
Subrecipient Training Workshops/Deliberations	6	6	6

*Some CDBG capital projects are multi-year projects and may not be completed in the same year of funding. For the purposes of this document, the projects are not double counted. In addition, the numbers reflect only Capital projects, not TBRA Administration or Fair Housing which is also funded through Capital funding. The projected reduction in Capital projects is the result of these types of projects requiring an increased amount of funding, forcing fewer projects to be funded from year to year.

**The decrease in the number of subrecipients is a result of a HUD recommendation, as well as an increase in funding for both public services and capital projects. The more money allocated to each sub- recipient, the less funding there is available to fund as many organizations.

***This program is offered through the services of CAPSLO and CommUnify (subrecipients). CommUnify came onboard during 2019-2020.

****The decrease in projected TBRA-assisted households is associated with the increased cost of rental deposits in the area. More funding is being provided per household to assist them in obtaining rental property.

Community Programs (0640)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 368,075	$ 398,208	$ 443,709	$ 464,581	$ 485,799
Services & Supplies	32,732	43,571	103,948	42,098	42,098
Transfers	59,578	47,314	47,314	-	-
Total General Fund	**$ 460,385**	**$ 489,093**	**$ 594,971**	**$ 506,679**	**$ 527,897**
Total Community Programs	**$ 460,385**	**$ 489,093**	**$ 594,971**	**$ 506,679**	**$ 527,897**

CDBG Funding

Chapel (Machado) Plaza Rehabilitation

The Chapel Plaza rehabilitation project, now called Teresa Machado Plaza, created a recreational/event venue by demolishing the aging parking lot and replacing it with stamped concrete, upgrading existing lighting, installing low landscaping and turf, creating a small stage for entertainment, and installing outdoor, concrete games for recreational purposes. The goal of this project was to revitalize the site to reach the underserved in that area of the community and to provide an opportunity to rebuild a sense of neighborhood pride and provide for increased health and wellness opportunities for those who live and work in that area. Providing these improvements to Chapel Plaza will enhance livability in this neighborhood and address the critical issues of overall health, safety, and well-being for not only the nearby residents of the surrounding low-income neighborhoods, but also for the community at large to include the patrons on the way to and from nearby businesses and social service agencies. The development of Machado Plaza will help to revitalize the neighborhood and discourage criminal activity by providing a functional parking lot and recreation venue for the residents of the area and the community in general. The plaza was completed in 2023.

HOME Funding

Tenant Based Rental Assistance (TBRA Program)

The City of Santa Maria is part of the HOME Consortium and uses part of the funding for Tenant Based Rental Deposit Assistance (TBRA) program and affordable housing construction projects. The City's TBRA Program provides security deposit assistance through a Qualified Referring Agency (QRA) to qualified low-income households. The program provides grants for up to 100 percent ($2,500 maximum assistance) of the required security deposit to low-income families to assist with overcoming obstacles to obtaining housing. Eligible participants are individuals whose income is at 60 percent or below the area median income by household size as determined by the U.S. Department of Housing and Urban Development (HUD). The City has been able to provide this program with the assistance of several QRA's which includes the Housing Authority of the County of Santa Barbara, People's Self-Help Housing Corporation, Good Samaritan Shelter, and City Net. The program was implemented in 2010 and has successfully served over 1,100 households. During the 2022-23 fiscal year, the City of Santa Maria assisted 61 households, with approximately 16 percent of the households being classified as homeless. The maximum assistance amount is $2,500, while the average amount is approximately $1,900. For additional information on the program, visit www.cityofsantamaria.org/services/departments/community-services-division/community-programs-division/tenant-based-rent-assistance-tbra-home-program.

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MAYOR & COUNCIL

GOVERNING BODY OVERVIEW

Serving as the legislative and policy-making body of the City of Santa Maria, the Mayor and City Council ratify laws and make policy decisions that provide for the general welfare of the community. The City Council is comprised of five members: one Mayor and four Councilmembers. The Mayor and the four members of the City Council are all elected for four-year terms by the residents of the City. Beginning with the November 2018 election, voters participated in the first district-based election when two City Council seats were up for election. Voters may elect City Councilmembers only from those candidates who live in their district. The Mayor will continue to be elected at-large by all voters. In November 2024, the contests will again be in Districts 1 (northwest)and 2 (northeast), with all voters Citywide deciding the Mayor's position. The Mayor presides over the Council meetings and serves as the elected and ceremonial head of our City government. The City Council decided to continue its practice of governing with a City-wide perspective and adopted a Resolution for Governance describing how the City Council will continue to serve all the people of the City of Santa Maria.

SUBPROGRAMS AND THEIR OBJECTIVES

Through the adoption of the biennial budget, it determines the appropriate service levels and revenue obligations; authorizes contracts and expenditures; establishes municipal service goals and operating policies; and adopts such regulatory measures as necessary to establish community protection.

Responsible to the electorate for keeping pace with changing community needs by providing appropriate programs, services, and activities that sustain and enhance the quality of life in the community, while staying within established revenues and other fiscal constraints.

Through motions, resolutions, and ordinances, the City Council establishes and formulates City policies and programs that impact residents and businesses.

Promotes confidence in local government through conducting public affairs in an open session; encourages constructive public participation, cooperation, and communication among City, residents, and businesses; represents the City at various community events and activities.

Represents the City on various intergovernmental boards and committees to achieve regional governmental cooperation, legislation, and programs that benefit Santa Maria's residents and businesses.

Maintains a working knowledge of State and Federal issues that affect the City by attending government-related conferences and other activities of the League of California Cities.

NOTEWORTHY BUDGET HIGHLIGHTS

The City Council has repeatedly adopted a resolution regarding its intention to continue its practice of governing with a City-wide perspective following the shift to elections of Councilmembers by Council districts. All members of the City Council will continue to serve all of the people of Santa Maria because the Council wishes to remain united in its service to the community. If the City Council has conflicting issues between districts, Councilmembers will discuss them, as is currently done and conclude with a unified statement.

DIVISION ORGANIZATION

RESIDENTS OF SANTA MARIA

COUNCIL MEMBERS

Gloria Soto
District 3

Maribel Aguilera-Hernandez
District 4

Alice Patino
Mayor
At-Large

Carlos Escobedo
District 1

Mike Cordero
District 2

BUDGET OVERVIEW

As the governing body that represents the City as a whole, the City Council makes policy and budget decisions that affect all City departments. The City Manager's Office provides the mechanism to communicate the City Council's policies and goals to the operational departments for execution. The City Council's priorities and goals for the City are explained in detail in the Budget Message.

The City Council will continue to govern on an at-large basis, considering the needs and interests of the entire community and wishes to remain united in its service to the community. Governing at-large allows for the continuation of accessible customer service, the most effective use of taxpayer resources and the consistency of City services. All members of the City Council will continue to serve all of the people of Santa Maria.

The following budget schedules exclude the allocation of the department produced by the Cost Allocation Plan to provide a more informative picture of the department's operating costs within each fund.

Budget Summary by Expenditure Category - All Funds

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
EXPENDITURE CATEGORY					
General Government					
Salaries & Benefits	$ 140,626	$ 147,697	$ 173,100	$ 173,685	$ 173,484
Services & Supplies	28,449	43,619	33,807	37,031	73,538
Total Budget	**$ 169,075**	**$ 191,316**	**$ 206,907**	**$ 210,716**	**$ 227,015**

Budget Summary by Fund

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
FUND					
001 - General Fund	$ 169,075	$ 191,316	$ 206,907	$ 210,716	$ 227,015
Total Budget	**$ 169,075**	**$ 191,316**	**$ 206,907**	**$ 210,716**	**$ 227,015**

CITY ATTORNEY'S OFFICE

DEPARTMENT OVERVIEW

MISSION STATEMENT

The mission of the City Attorney's Office is to maintain the legal integrity of the City. In so doing, it provides a wide range of legal services for the City Council, commissions, departments, and staff.

PURPOSE

Major activities include day-to-day legal advice to City officials and staff; drafting contracts, opinions, resolutions, and ordinances and Municipal Code updates; performing liaison activities with the news media and the local bar; networking with other cities and legal counsel through the League of California Cities and local bar associations; coordinate and oversee Risk Management regarding workers' compensation claims, settlements, outside counsel, and the program in general; defending the City, its officers, and employees in civil litigation; coordinating and monitoring the investigation, settlement, and litigation arising out of personal injury, workers' compensation, personnel and all other claims brought against the City; analyzing City policies and practices to discover legal liabilities; coordinating with City departments to revise outdated policies and practices which pose a legal liability to the City and to align policies and procedures with best practices; defending or prosecuting lawsuits where the City is a party or overseeing the selection of and litigation by outside counsel; and criminal prosecution of misdemeanor Municipal Code violations.

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
Long-Term Financial Sustainability	Coordinate with City Manager's office and Finance with the creation of workers' compensation and general liability reserve policy and funding of accounts to provide future reserves to prepare for volatility in insurance market, have city in good standing for insurers and potential loss of coverage.
Community Quality of Life	Cooperate with Code Enforcement in developing an updated policy for responding to Municipal Code Violations and obtaining compliance.
Planning and Infrastructure	Continue to assist the Community Development Department with developer negotiations, toward achieving the revitalization of the City's downtown.
Organizational Well-Being	Work collaboratively with other City Departments to assist with the development and implementation of the Enterprise Resource Planning project.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
New Approach to Economic Development	Collaborate with the Community Development Department on the comprehensive update to the General Plan; participate in the coordination with regional partners on the implementation of the General Plan and Preferred Land Use Alternative.
Provide Youth Opportunities	Continue to assist in the purchase of land and development of the sports complex at Blosser Ranch.
Provide Public Safety Resources	Develop City's misdemeanor prosecution procedures and begin prosecuting misdemeanors.
Establish a Staffing Plan	Strategically plan and further establish the development of Risk Management Division that includes staffing levels to better protect the City from frivolous and non-meritorious claims.

ACCOMPLISHMENTS

The City Attorney's Office's recent accomplishments include:

- Worked closely with Risk Manager to establish additional attorney's pool. This enhancement streamlined current practices in litigation, improving communication, costs, and more timely case closures. Adding Risk Management to the Department allows for superior legal coverage to the City.
- Represented the Police Department in multiple cases referencing the Gun Violence Restraining Order. These hearings reduce the occurrence of gun violence within the City.
- Hired an Assistant City Prosecutor. This hire will permit for increased caseload brought in-house and will continue to improve City processes and costs.

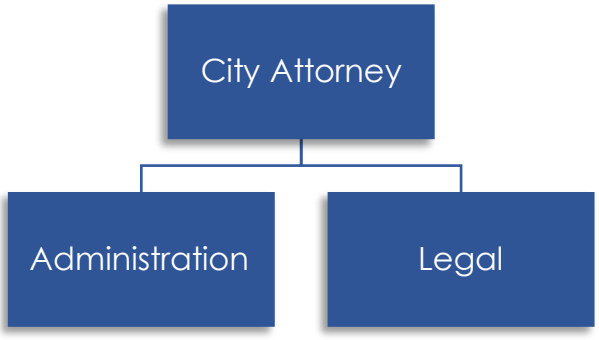
NOTEWORTHY BUDGET HIGHLIGHTS

The Risk Management Division has been reassigned to the City Attorney's Office. This reassignment and expected employee hires will allow for sustainability and greater support provided to City Departments. Risk expansion of staff, succession planning and program management is greatly needed for the growing trends in loss prevention which may lead to litigation.

PERFORMANCE/WORKLOAD MEASURES

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
DEMAND/WORKLOAD			
Resolutions Reviewed	283	295	320
Criminal Prosecutions – Referrals from:			
Animal Control	0	0	0
Police	130	11	70
Recreation and Parks	164	88	150
Code Enforcement	33	7	25
Fire	0	0	0
Finance	0	1	0
EFFECTIVENESS/EFFICIENCIES			
Claims Processed	101	136	170
Ordinances Drafted or Reviewed	20	14	17
Public Records Requests Processed	1,148	1,520	1,334

DEPARTMENT ORGANIZATION



A complete schedule of the department's positions, a summary of changes, and a detailed explanation of position changes can be viewed at *Personnel - City Attorney's Office* on page 183.

BUDGET OVERVIEW

The City Attorney's Office is an internal service department that provides legal services to the entire City. The General Fund cost of the City Attorney's Office is allocated to City departments based on caseload and work hours directly attributable to those departments' needs and services.

The following budget schedules exclude the allocation of the department produced by the Cost Allocation Plan to provide a more informative picture of the department's operating costs within each fund.

Budget Summary by Expenditure Category - All Funds

EXPENDITURE CATEGORY	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Salaries & Benefits	$ 1,656,192	$ 1,652,123	$ 1,762,421	$ 2,286,374	$ 2,399,038
Services & Supplies	7,101,006	7,608,467	14,749,558	18,449,673	15,678,624
Capital & Outside Agencies	-	4,264	-	-	-
Debt Service	-	-	-	-	-
Transfers	136,594	75,180	75,180	132,803	132,803
Total Budget	**$ 8,893,792**	**$ 9,340,034**	**$ 16,587,159**	**$ 20,868,850**	**$ 18,210,465**

Budget Summary by Fund

FUND	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 - General Fund	$ 1,040,743	$ 1,239,008	$ 1,365,659	$ 1,816,866	$ 1,878,493
011- Measure U Fund	434,130	142,532	-	-	-
070, 072 & 073 – Insurance Funds	7,418,918	7,958,493	15,221,500	19,051,984	16,331,972
Total Budget	**$ 8,893,792**	**$ 9,340,034**	**$ 16,587,159**	**$ 20,868,850**	**$ 18,210,465**

Budget Summary by Program - All Funds

EXPENDITURE CATEGORY	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
0310 - Legal	$ 1,040,743	$ 1,239,008	$ 1,365,659	$ 1,816,866	$ 1,878,493
1443 - Risk Management	7,418,918	7,958,493	15,221,500	19,051,984	16,331,972
Total Budget	**$ 8,893,792**	**$ 9,340,034**	**$ 16,587,159**	**$ 20,868,850**	**$ 18,210,465**

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CITY MANAGER'S OFFICE

DEPARTMENT OVERVIEW

To provide overall direction and coordination of City operations to ensure that the City Council's adopted service objectives are met or exceeded and oversees the city operational budget; to continually evaluate the organizational structure of the City as it relates to requirements for effective, efficient, and economical public service in furtherance of the City Council's goals and priorities; to improve the operational capabilities of the City in concert with department managers. Directs employee relations, including negotiating and administering contracts with represented groups. Provide continual monitoring and evaluation of services to ensure that City services, activities, and programs remain relevant to community needs and are administered equitably; and administer and coordinate public information citywide.

The City Manager's Office provides leadership in coordinating discussions and efforts addressing homelessness and encampment response. The Assistant City Manager facilitates discussions with the Homeless Encampment Response Task Force, comprised of representatives from Police, Rangers/Parks and Recreation, Code Enforcement, City Attorney's Office and Public Works. These discussions include strategies on enforcement and how staff can best respond to community impacts of encampments. The City also coordinates with a contractor for cleaning up encampments once they are vacated. City Manager staff also works closely with the County of Santa Barbara and other partner agencies in helping those experiencing homelessness connect with available resources, including housing, but also social, health, and employment services. It is estimated that the City commits over $600,000 annually towards efforts addressing the impacts of encampments, including enforcement, clean ups, and agency coordination.

The Records/City Clerk Division maintains a complete and accurate record of City Council and official City files, maintains compliance with open government, campaign finance, and other public disclosure requirements, and ensures that municipal elections are conducted according to applicable laws and guidelines. The Information Technology Division administers and maintains computer, business, telephone, radio, communication, and Geographic Information Systems (GIS).

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
Long-Term Financial Sustainability	Develop a budget that addresses the City's long-term financial obligations and priorities.
Community Quality of Life	Expand the Neighborhood Connect portal with more categories for the public to report non-emergency issues.
Planning and Infrastructure	Recommend and support land use and development policies that minimize long-term operation and maintenance costs.
Organizational Well-Being	Review and update personnel policies and procedures, municipal codes, City Administrative Memorandums ("CAMs").
	Streamline and automate public meeting preparations.
	Complete a City-wide classification and compensation study.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
New Approach to Economic Development	Provide a more responsive and focused economic development program, by undertaking a comprehensive study of the current economic development program.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
PROVIDE YOUTH OPPORTUNITIES	Support the efforts of the Library and Recreation and Parks Departments in providing creative, impactful and well-funded programs for youth.
PROVIDE PUBLIC SAFETY RESOURCES	Support the efforts of the Police, Fire, Code Enforcement and City Rangers in their efforts to provide top level safety services.
ESTABLISH A STAFFING PLAN	Develop a City-wide recruitment philosophy and corresponding City-wide staffing plan.

ACCOMPLISHMENTS

Accomplishments of the City Manager's Office in 2023-24 include:

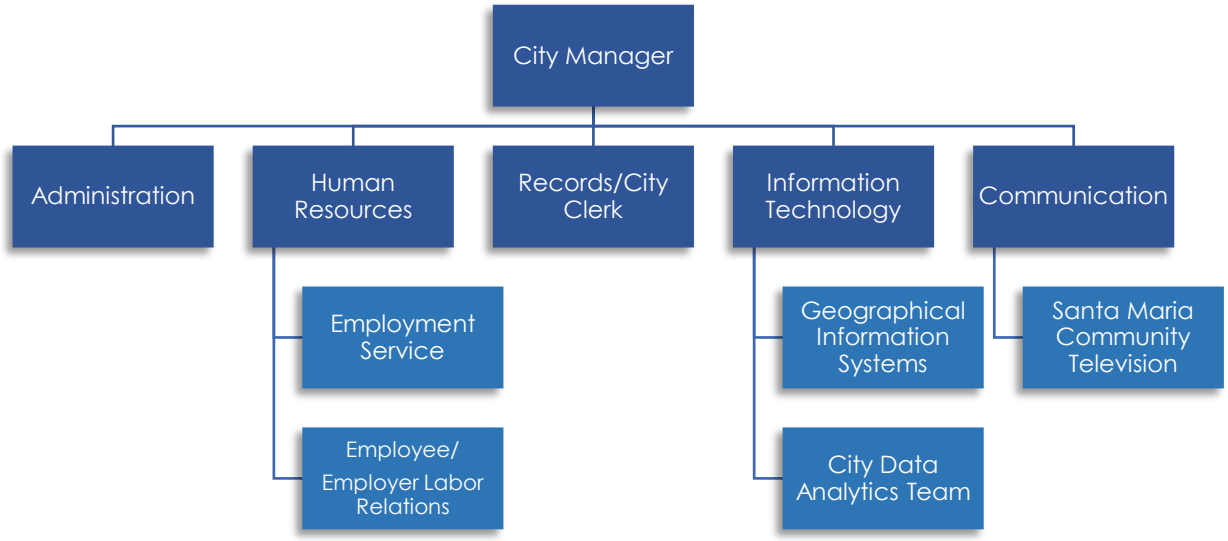
- Developed a budget that addresses the City's long-term financial obligations and priorities
- Advanced City-wide communications.
- Launched the Smart City, Safe City campaign and associated Neighborhood Connect program. Also launched live closed captioning (subtitles) in English and Spanish of public meetings to improve transparency and communication with the community.
- Completed full implementation of upgrading and improving communications hardware, software, and security.
- Implemented additional aspects of the Alignment Project, including employee development and training through GROW (a partnership with the University of California, Santa Barbara) and The Center for Organization Effectiveness.
- The Information Technology division replaced and upgraded approximately 262 desktops, 262 monitors, 45 laptops, 55 tablets, and 30 printers/scanners/copiers during the 2022-2024 budget cycle. It also installed security cameras and Wi-Fi access points in all fire stations; added Wi-Fi to the Grogan Park facility, and initiated projects to all fiber-optic network and Wi-Fi to four more locations.
- The radio system is supported by two full-time radio technicians. During the 2022-2024 budget cycle, the I.T. division performed a major system upgrade replacing aging hardware and updating software. Performed improvements to the City's four radio towers. The improved radio signal strength aids public safety employees in sending and receiving clear communications around the City.
- The PEG Production Manager position was restored to full-time in 2023-24 with full funding from Measure U.
- Maintaining the Santa Maria Community Television the City Manager's Office Public, Education, and Government (PEG) program receives special revenues from Comcast Cablevision for public access television operations.

NOTEWORTHY BUDGET HIGHLIGHTS

- To explore the potential for a more responsive and focused economic development program, the City will undertake a study of the current economic development program. Creating a vital and competitive economy is crucial to support the ongoing costs of City-funded programs and services while increasing prosperity and quality of life for the City's residents and businesses. Improved economic development services create a strong line of communication and continuous interaction with City staff and community economic providers.
- Increase of the department personnel by three (3) critical positions, one (1) for Information Technology and two (2) for Human Resources.

DEPARTMENT ORGANIZATION

A complete schedule of the department's positions, a summary of changes, and a detailed explanation of position changes can be viewed at *Personnel - City Manager's Office* on page 184.



BUDGET OVERVIEW

The City Manager's Office is an internal and external service department that provides leadership and management services to the entire City. The City Manager's Office is fully cost allocated to City departments. The cost for each of the divisions in the City Manager's budget is distributed based on criteria that best represents each division's role and services to the City departments.

The following budget schedules exclude the allocation of the department produced by the Cost Allocation Plan to provide a more informative picture of the department's operating costs within each fund.

Budget Summary by Expenditure Category - All Funds

EXPENDITURE CATEGORY	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Salaries & Benefits	$ 4,875,142	$ 5,698,866	$ 6,399,576	$ 7,911,902	$ 8,364,935
Services & Supplies	4,597,386	4,127,009	6,354,638	7,196,251	7,192,281
Capital & Outside Agencies	1,043,188	753,147	1,255,453	2,882,588	1,412,588
Debt Service	-	-	-	-	-
Transfers	59,059	55,864	55,864	75,687	75,687
Total Budget	**$ 10,574,774**	**$ 10,634,886**	**$ 14,065,531**	**$ 18,066,428**	**$ 17,045,491**

Budget Summary by Fund

FUND	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 - General Fund	$ 7,485,873	$ 7,510,465	$ 9,202,952	$ 11,626,021	$ 11,917,704
011 - Measure U Fund	9,643	19,761	189,335	1,435,220	247,700
021 - Business Equipment Fund	1,185,142	1,221,141	3,185,060	3,432,588	3,536,588

Budget Summary by Fund	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
022 - Communication Equipment Fund	55,144	(28,370)	172,815	125,000	130,000
023 - Radio/Technology Fund	722,540	765,392	983,903	839,188	872,663
078 - Telephone Equipment Fund	111,298	176,878	192,159	190,536	190,536
801 - Capital Projects-General Fund	790,119	733,497	-	250,000	-
998 - SM Community TV Fund	215,015	236,121	139,307	167,875	150,300
Total Budget	**$ 10,574,774**	**$ 10,634,886**	**$ 14,065,531**	**$ 18,066,428**	**$ 17,045,491**

Budget Summary by Program - All Funds	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
EXPENDITURE CATEGORY					
General Government					
0410 - Administration	$ 2,684,743	$ 2,376,097	$ 2,220,717	$ 2,602,617	$ 2,716,110
0420 - Human Resources	1,290,702	1,792,154	1,913,286	2,491,445	2,620,030
0430 - Records/City Clerk	435,621	502,303	469,652	752,517	650,123
0441 - PEG - Access	215,015	236,121	139,307	167,875	150,300
0490, 0492 - Measure U	9,643	19,761	189,335	1,435,220	247,700
0540 - Information Technology	3,508,705	3,182,584	4,180,250	5,579,873	5,459,162
0542 - IT - GIS	356,223	390,822	419,047	449,569	472,279
1420, 1421, 1450 - Business, Communication & Telephone Equipment	1,351,585	1,369,650	3,550,034	3,748,124	3,857,124
1423 - Regional Radio System	722,540	765,392	983,903	839,188	872,663
Total General Government	**$ 10,574,774**	**$ 10,634,886**	**$ 14,065,531**	**$ 18,066,428**	**$ 17,045,491**
Total Budget	**$ 10,574,774**	**$ 10,634,886**	**$ 14,065,531**	**$ 18,066,428**	**$ 17,045,491**

DIVISION/PROGRAM BUDGETS

ADMINISTRATION

Ensure that the City Council receives on-time information and documentation necessary to make informed decisions regarding problems and issues facing the community that require policy direction from City Council.

Provide leadership in policy development, program planning, budget strategies and development, and coordination of City operations for effectively and efficiently achieving City Council priorities.

Enable departments to carry out day-to-day operations, services, and planning efforts by providing support and direction; negotiate, administer, and implement contracts for the provision of municipal services.

Increase the effectiveness, efficiency, and equity of City operations by identifying City issues worthy of study, conducting management analyses and organizational and budgetary reviews, and assisting other departments in conducting their analyses and reviews.

Work in a collaborative partnership with the Chamber of Commerce, Regional Economic Action Coalition (REACH), Vandenberg Space Force Base, County, State, and Federal representatives, and other appropriate agencies, to promote economic development, job creation, and job retention in the City.

COMMUNICATIONS

Develops public and internal citywide communication strategy and oversees PEG; guide all departments for effective communication and transparency about City operations; provide proactive and responsive relations with the news media and the public, and by coordinating information to the general public through social media, webstreaming, print, cablecast, television, radio, and in-person. Staff oversees all City news releases, except for those issued by public safety departments unless needed in a backup capacity. Staff also manages content on the City website and public access television, oversees content on the Intranet, and coordinates film permits. The City Manager's Office also utilizes Measure U funds for the City's mass notification system for rapid public safety messaging and non-emergency, business use messaging.

Administration (0410)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 1,188,728	$ 1,511,011	$ 1,564,598	$ 2,118,694	$ 2,232,187
Services & Supplies	1,164,754	573,898	656,119	483,923	483,923
Capital & Outside Agencies	-	23,469	-	-	-
Total General Fund	**$ 2,353,482**	**$ 2,108,378**	**$ 2,220,717**	**$ 2,602,617**	**$ 2,716,110**
801 - CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ 331,261	$ 267,719	$ -	$ -	$ -
Total Capital Projects-General Fund	**$ 331,261**	**$ 267,719**	**$ -**	**$ -**	**$ -**
Total Administration	**$ 2,684,743**	**$ 2,376,097**	**$ 2,220,717**	**$ 2,602,617**	**$ 2,716,110**

Measure U (0490, 0492)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
011 – MEASURE U FUND PUBLIC SAFETY					
Services & Supplies	$ 9,643	$ 19,761	$ 22,500	$ 38,000	$ 38,000
Transfers	-	-	-	841	841
Total Measure U Fund Public Safety	**$ 9,643**	**$ 19,761**	**$ 22,500**	**$ 38,841**	**$ 38,841**
011 - MEASURE U FUND QUALITY OF LIFE					
Salaries & Benefits	$ -	$ -	$ 131,835	$ 155,413	$ 167,893
Services & Supplies	`-	-	35,000	35,000	35,000
Capital & Outside Agencies	-	-	-	1,200,000	-
Transfers	-	-	-	5,966	5,966
Total Measure U Fund Quality of Life	**$ -**	**$ -**	**$ 166,835**	**$ 1,396,379**	**$ 208,859**
Total Measure U	**$ 9,643**	**$ 19,761**	**$ 189,335**	**$ 1,435,220**	**$ 247,700**

HUMAN RESOURCES

Provide professional leadership and services to City departments in the planning, acquisition, retention, and development of a qualified workforce. Direct, assess, and modify the centralized and

decentralized recruitment and examination systems in accordance with the City Municipal Code and all applicable Federal, State, and local statutes, laws, and regulations; provide recruitment and certification of qualified candidates and maintain recruitment and examination files; administer the City's classification plan; determine appropriate classification and compensation, bargaining units, and Fair Labor Standards Act status.

Human Resources - Employee Labor Relations Division was created in December 2021. This program function oversees the City interactions and successfully completed wage and benefits for six employee groups; conducts collective bargaining on behalf of the City and advises/guides/assists City departments in the application of the provisions of the negotiated agreements and in observance of State and Federal employment laws; advises/guides departments in the disciplinary process, including coaching, counseling, grievances, conflict resolution, arbitrations, and all employee engagement.

In 2021-22, the Human Resources division implemented a new structure with three specific lanes of Employment Services, Employee Labor Relations, and Risk Management. In 2023-24, the Risk Management function, along with Risk Management staff, was transferred to be overseen by the City Attorney's Office.

Human Resources (0420)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 948,530	$ 1,220,494	$ 1,336,816	$ 1,699,874	$ 1,828,459
Services & Supplies	330,233	530,852	576,470	741,571	741,571
Capital & Outside Agencies	11,938	40,809	-	50,000	50,000
Total General Fund	**$ 1,290,702**	**$ 1,792,154**	**$ 1,913,286**	**$ 2,491,445**	**$ 2,620,030**
Total Human Resources	**$ 1,290,702**	**$ 1,792,154**	**$ 1,913,286**	**$ 2,491,445**	**$ 2,620,030**

RECORDS/CITY CLERK

Ensure that the City Council, City staff, and interested members of the public are aware of issues being addressed at City Council meetings by preparing, distributing, and posting agenda-related materials and minutes on a timely basis, and by offering an e-mail subscription service for notification of new agenda materials; and ensure the Santa Maria Municipal Code is accurate and up-to-date by codifying amendments, and provide a user-friendly, searchable electronic version of the Municipal Code on the City's website.

Protect and preserve official City records and administer the City's records management program. Ensure that the City Council, City staff, and interested members of the public have ready access to annexation and assessment district proceedings, resolutions, ordinances, deeds, agreements, copies of the Municipal Code, and other City documents by maintaining a cross-referenced filing and retrieval system, and computerized legislative history that allows for the timely provision of copies or the electronic transmission, after being requested.

Promote broad resident representation on boards, commissions, and committees by posting vacancies according to State law and on the City's website, offering an e-mail subscription service for notification of vacancies, receiving and acknowledging applications for appointment, following through on appointments (including administering the Oath of Office), and maintaining up-to-date membership lists (Maddy List) and webpage content.

Records/City Clerk (0430)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 314,580	$ 399,146	$ 335,237	$ 454,306	$ 476,882
Services & Supplies	121,040	99,507	134,415	298,211	173,241
Capital & Outside Agencies	-	3,651	-	-	-

Records/City Clerk (0430)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Total General Fund	**$ 435,621**	**$ 502,303**	**$ 469,652**	**$ 752,517**	**$ 650,123**
Total Records/City Clerk	**$ 435,621**	**$ 502,303**	**$ 469,652**	**$ 752,517**	**$ 650,123**

ELECTIONS

Ensure that City residents have the opportunity to elect legally qualified candidates and express their views on City measures by providing for the efficient and legal conduct of regular and special municipal elections; and serve as Filing Officer for Campaign and Economic Interests Statements as mandated by the Fair Political Practices Commission. The City collaborates with the County of Santa Barbara, who handles the elections within the County.

INFORMATION TECHNOLOGY

Provide comprehensive technology services and an enterprise-wide focus to all City departments which includes defining technology needs; assisting operating departments in planning, prioritizing, and managing the installation of new systems and applications; and establishing long-range plans, policies, and standards for acquiring, maintaining, and achieving information technology resources.

Ensure that the City's information technology resources are effectively managed and used as key organizational tools in improving organizational productivity, customer service, and public access to City information.

Ensure the security and integrity of data stored on the City's network; protect computer systems and files from unauthorized use or access; and comply with copyright and licensing agreements.

Provide ongoing support and maintenance of the City's technology infrastructure and highly reliable systems and applications to users; responsively supporting users; and coordinating training for the full use of citywide information systems.

Support and maintain organization-wide telecommunication systems, including analog telephones and services, Voice Over Internet Protocol (VOIP) telephone system, leased circuits, and other "wireless" communication systems.

Deliver reliable radio systems and support services to public safety, operating departments, and partners; diagnose and swiftly resolve infrastructure performance and operational issues; and troubleshoot, analyze, test, and repair or replace equipment.

Design, develop, operate, and maintain an accurate, comprehensive, and up-to-date Geographic Information System (GIS); provide quick and easy access to GIS data with reasonable security; and promote the use of GIS to expedite work processes.

Develop custom applications, interactive maps, and specific project map documents for analysis and inquiry of GIS information; perform complex GIS analyses; establish and enforce accuracy standards, update procedures, and database compatibility for GIS data; coordinate data sharing with local, State, and Federal government; and create and develop new GIS data.

Conduct training classes for Citywide GIS users; tutor and assist individual GIS users on specific projects and answering technical questions.

Ensure that mission-critical technologies remain operational on a 24-hour, seven-days-a-week basis.

Information Technology (0540)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 1,673,479	$ 1,878,018	$ 2,315,959	$ 2,683,312	$ 2,812,601
Services & Supplies	1,375,867	810,645	1,864,291	2,646,561	2,646,561
Capital & Outside Agencies	500	28,145	-	-	-

Information Technology (0540)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Total General Fund	**$3m049m846**	**$ 2,716,807**	**$ 4,180,250**	**$ 5,329,873**	**$ 5,459,162**
801 - CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ 458,859	$ 465,777	$ -	$ 250,000	$ -
Total Capital Projects-General Fund	**$ 458,859**	**$ 465,777**	**$ -**	**$ 250,000**	**$ -**
Total Information Technology	**$ 3,508,705**	**$ 3,182,584**	**$ 4,180,250**	**$ 5,579,873**	**$ 5,459,162**

IT - GIS (0542)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 304,898	$ 320,297	$ 343,131	$ 391,710	$ 414,420
Services & Supplies	51,324	70,525	75,916	57,859	57,859
Capital & Outside Agencies	-	3,651	-	-	-
Total General Fund	**$ 356,223**	**$ 390,822**	**$ 419,047**	**$ 449,569**	**$ 472,279**
Total IT - GIS	**$ 356,223**	**$ 390,822**	**$ 419,047**	**$ 449,569**	**$ 472,279**

BUSINESS EQUIPMENT

The Equipment Replacement Fund is an Internal Service Fund administered by the Department of Finance. Revenue primarily consists of rates internally charged to City departments to pay for the cost of business equipment required for service delivery in order to have sufficient replacement dollars available when the equipment needs to be replaced.

This fund was established to finance the replacement of old, inefficient, or obsolete business equipment with new equipment. The types of business equipment replaced through this fund are desktop computers, laptops, tablets, copiers, printers, servers, fax machines, scanners, and other operations and office support-related equipment.

The expected life span of the equipment is the determining factor in calculating the cost charged to departments/programs using the equipment. The pro-rata cost is charged through an internal service charge over the life of the equipment.

Business Equipment (1420)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
021 - BUSINESS EQUIPMENT FUND					
Salaries & Benefits	$ -	$ -	$ -	$ -	$ -
Services & Supplies	940,846	1,133,205	1,941,607	2,070,000	2,174,000
Capital & Outside Agencies	231,044	87,937	1,243,453	1,362,588	1,362,588
Transfers	13,252	-	-	-	-
Total Business Equipment Fund	**$ 1,185,142**	**$ 1,221,141**	**$ 3,185,060**	**$ 3,432,588**	**$ 3,536,588**
Total Business Equipment	**$ 1,185,142**	**$ 1,221,141**	**$ 3,185,060**	**$ 3,432,588**	**$ 3,536,588**

RADIO ENTERPRISE

The Radio Technology enterprise fund was created in 2015 in support of the new Police Department facility. The state-of-the-art 700 MHz trunked radio communication system was also implemented, at this time. The purpose of this fund is to account for, and house in one location, the costs and anticipated revenues associated with the 700 MHz trunked radio communication system.

Revenues to support these services are made available by charging operating departments, as well as outside users of the system, by way of cost allocation. Staff continues to initiate discussions with other public agencies that may be interested in partnering on this project and, as partner agencies come on board, more resources will be made available to help offset additional costs. In addition to the radio project, other technology-related projects that could be affiliated with this fund include the co-location of network equipment from outside agencies to the police facility.

Radio Enterprise (1421)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
022 - RADIO/TECHNOLOGY FUND					
Salaries & Benefits	$ -	$ -	$ -	$ -	$ -
Services & Supplies	41,431	135,989	172,815	125,000	130,000
Capital & Outside Agencies	9,586	(164,359)	-	-	-
Transfers	4,127	-	-	-	-
Total Radio/Technology Fund	**$ 55,144**	**$ (28,370)**	**$ 172,815**	**$ 125,000**	**$ 130,000**
Total Radio Enterprise	**$ 55,144**	**$ (28,370)**	**$ 172,815**	**$ 125,000**	**$ 130,000**

PEG - ACCESS

Administration (communications) plans, develops, organizes, and manages the City's public information activities, news media relations, and oversees the City's portfolio of communications tools. It also provides communication, perspective, and transparency, and oversees Public, Education, and Government (PEG) access television, often referred to as community access or local access television. PEG access television is a medium for allowing non-profit groups, the faith-based community, schools, and the residents of a community, the ability to use the local cable television system, to reach out and communicate with fellow residents on subjects of local interest, as well as to highlight issues, activities, and events. The operation is branded as Santa Maria Community Television.

Three types of programming are used to establish a broad base of community understanding, support, and involvement. Public programming (Comcast Channel 25) is created by residents, non-profit groups, and the faith-based community; Education programming (Channel 24) is created by local education providers, such as school districts, and the community college. and includes City content about City recreational programs, and Government programming cablecasts (Channel 23) live and replays of local government meetings, departmental public service announcements on a wide variety of subjects, our Smart City, Safe City services, and the half-hour news style show called Santa Maria Today in English and Spanish which showcases City services. Much of the programming is created in English and in Spanish, and captioning is available.

The division continues to provide camera and studio equipment such as lighting and backdrops for producers to check out and use temporarily for production of Channel 25 programming.

Provide sound management and financial strategies to ensure continued community access to and use of the access channel(s) for years to come.

To improve accessibility and transparency, the City of Santa Maria now offers live closed captioning (subtitles) in English or Spanish during its government meeting broadcasts. The dual language captioning gives viewers, including the hearing impaired, a valuable resource to watch and understand what is happening with their local government. Captions are also available on the website, CityofSantaMaria.org/tv and the City's YouTube channel.

PEG is funded by Comcast revenues for capital equipment and by Measure U revenues for operations, which fulfills the Council's priority to improve the community's quality of life.

PEG - Access (0441)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
998 - SM COMMUNITY TV FUND					

PEG - Access (0441)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
Salaries & Benefits	$ 146,147	$ 133,308	$ 36,012	$ 40,999	$ 43,424
Services & Supplies	41,069	70,302	58,784	76,126	76,126
Capital & Outside Agencies	-	-	12,000	20,000	-
Transfers	27,799	32,511	32,511	30,750	30,750
Total SM Community TV Fund	**$ 215,015**	**$ 236,121**	**$ 139,307**	**$ 167,875**	**$ 150,300**
Total Radio Enterprise	**$ 215,015**	**$ 236,121**	**$ 139,307**	**$ 167,875**	**$ 150,300**

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
DEMAND/WORKLOAD			
PEG Membership	24	24	24
SMCTV Public Service Announcements/Specials	50	60	90
EFFECTIVENESS/EFFICIENCIES			
Hours of Weekly Programming on three PEG channels**	239	135	504

** Hours revised to include pre/post-meeting editing.

DEPARTMENT OF FINANCE

DEPARTMENT OVERVIEW

MISSION STATEMENT

To provide the highest level of service to the residents, City Council and other City departments, within the adopted budget, and to provide accurate and timely financial information, quality customer service in utility billing, and fiscally sound cash management.

PURPOSE

The Finance Department administers the financial and treasury affairs of the City of Santa Maria. The Department manages the City's revenues, expenditures, investments, purchasing, accounting, budgeting, and debt issuance and administration. As such, the Department provides the City's departments and residents with dependable and efficient, quality services in billing and collection for City services, cash management, and other fiscal functions in accordance with legal and professional standards.

GOALS AND OBJECTIVES

CITY COUNCIL GOALS FOR 2024-26	DEPARTMENTAL GOALS FOR 2024-25
LONG-TERM FINANCIAL SUSTAINABILITY	Prepare long-term fiscal forecasts, review and make recommendations for fiscal policies to support long-term fiscal sustainability.
	Recommend revenue enhancement solutions.
COMMUNITY QUALITY OF LIFE	Enhance customer online self-service capabilities for Utility Billing and Business Licensing through implementation of Enterprise Resource Planning System.
PLANNING AND INFRASTRUCTURE	Prepare fiscal recommendations for ongoing investment in infrastructure.
ORGANIZATIONAL WELL-BEING	Implement Phase 1 of Enterprise Resource Planning System.
	Prepare Finance Policies & Procedures Guidebook.

CITY COUNCIL TWO-YEAR PRIORITIES	DEPARTMENTAL GOALS FOR 2024-25
NEW APPROACH TO ECONOMIC DEVELOPMENT	Assist with economic development business model and analysis.
PROVIDE YOUTH OPPORTUNITIES	Assist Recreation & Parks Department in assessment of fees analysis for recreation programs including youth opportunities.
PROVIDE PUBLIC SAFETY RESOURCES	Monitor Measure U expenditures and prepare audited financial statements to ensure Measure U dollars are spent within the Council adopted policies.
ESTABLISH A STAFFING PLAN	Develop staffing plan for Finance Department for post Enterprise Resource Planning System Implementation.

ACCOMPLISHMENTS

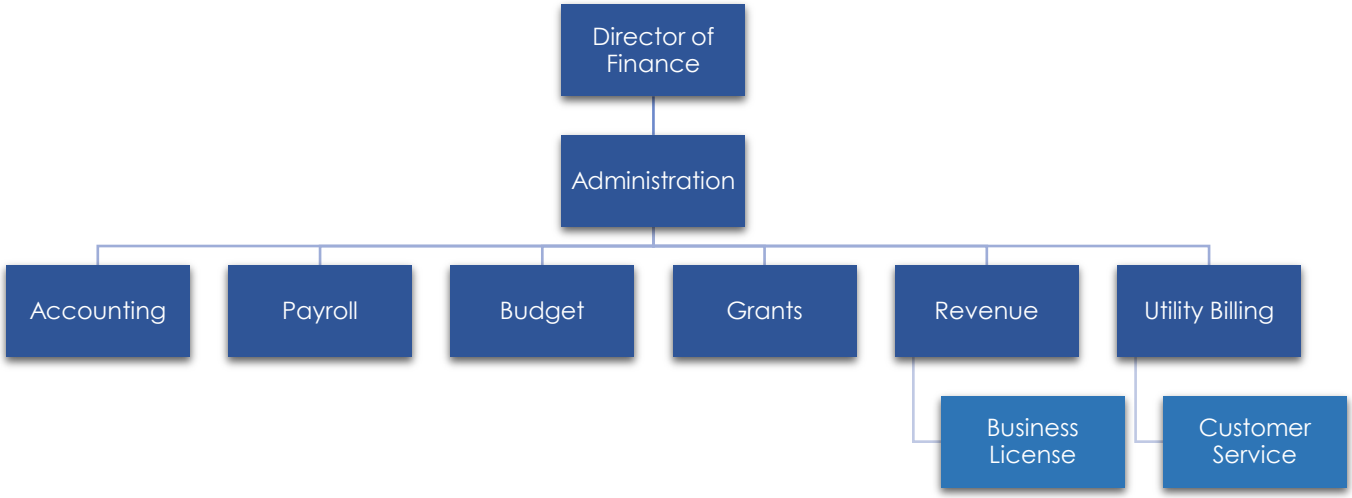
- Finalized selection of the new ERP system and awarded contract to selected vendor in the multi-year process to update this backbone software, and in alignment with Smart City, Safe City.
- Identified Business Process Improvements to be implemented with through the ERP
- Caught-up Financial Reporting to current post COVID-19 pandemic.
- Continued to increase transitioning utility billing customers to online options.

- Supported business community by continuing to improve online payment options and paperless business license application capabilities.

PERFORMANCE/WORKLOAD MEASURES

PERFORMANCE MEASURE	ACTUAL 2020-22	ESTIMATED 2022-24	PROJECTED 2024-26
DEMAND/WORKLOAD			
Payroll Checks	36,889	40,847	43,706
Business Licenses	11,221	11,400	11,500
Accounts Payable Checks	15,492	16,556	17,383
Purchase Orders	5,360	6,781	7,798
EFFECTIVENESS/EFFICIENCIES			
Utility Bills Processed	548,520	549,396	554,447

DEPARTMENT ORGANIZATION



A complete schedule of the department's positions, a summary of changes, and a detailed explanation of position changes can be viewed at *Personnel - Finance* on page 187.

BUDGET OVERVIEW

The Finance Department is an internal service department that supports all City departments. Major activities include financial reporting; annual compliance; revenue and appropriation management; annual budget preparation; purchasing; grant administration; utility billing; payroll; accounts payable; real property management; treasury and investment functions; and financial management system administration. In all, the Department emphasizes the delivery of service in a timely, cost-effective, and courteous manner, relying on high-performing standards as the norm. The Department consists of two divisions encompassing two major subprograms: Finance and Utility Billing. The Utility Billing Division's budget unit reflects the personnel complement of the Division; however, the funding sources are the Water Resources funds and Solid Waste funds. Finance is responsible for obtaining audit services annually for Measure U.

The following budget schedules exclude the allocation of the department produced by the Cost Allocation Plan to provide a more informative picture of the department's operating costs within each fund; however, it is important to note that the Finance Department's budget includes operating and capital Transfers Out, which are non-departmental in nature.

Budget Summary by Expenditure Category - All Funds					
	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
EXPENDITURE CATEGORY					
Salaries & Benefits	$ 1,886,793	$ 2,406,418	$ 3,298,056	$ 3,967,603	$ 4,210,461
Services & Supplies	888,485	910,457	1,242,911	1,067,867	1,067,867
Capital & Outside Agencies	980,470	1,049,856	4,041,630	969,040	969,040
Debt Service	268,778	400,367	266,912	266,912	266,911
Transfers	2,270,039	3,051,220	12,551,815	18,464,433	6,973,210
Total Budget	**$ 6,294,565**	**$ 7,818,318**	**$ 21,401,324**	**$ 24,735,855**	**$ 13,487,489**

Budget Summary by Fund					
	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
FUND					
001 - General Fund	$ 5,290,042	$ 6,817,156	$ 8,319,559	$ 15,203,664	$ 12,229,624
002 – Water	167,183	331,116	498,134	390,876	412,394
003 – Solid Waste Collection	280,382	278,735	259,003	336,840	357,052
004 – Wastewater	280,582	278,820	257,613	335,450	355,662
011- Measure U Fund	108,814	-	2,600	2,757	2,757
040 – Economic Development	-	60,000	130,000	130,000	130,000
076 – Local Economic Augmentation Fund	-	-	8,861,825	8,336,268	-
801 – Capital Projects-General	167,561	52,491	3,072,590	-	-
Total Budget	**$ 6,294,565**	**$ 7,758,318**	**$ 21,401,324**	**$ 24,735,855**	**$ 13,487,489**

Budget Summary by Program - All Funds					
	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
PROGRAM					
General Government					
0510 – Administration	$ 4,232,790	$ 5,477,820	$ 18,321,911	$ 20,936,825	$ 9,470,289
0520 – Finance	1,224,814	1,391,827	1,932,063	2,603,107	2,759,335
0530, 0533, 0534 – Utility Billing	728,147	888,671	1,014,750	1,063,166	1,125,108
0557 – Economic Development	-	60,000	130,000	130,000	130,000
0590 – Measure U	108,814	-	2,600	2,757	2,757
Total General Government	**$ 6,294,565**	**$ 7,818,318**	**$ 21,401,324**	**$ 24,735,855**	**$ 13,487,489**
Total Budget	**$ 6,294,565**	**$ 7,818,318**	**$ 21,401,324**	**$ 24,735,855**	**$ 13,487,489**

DIVISION/PROGRAM BUDGETS

The Finance Department operates in a slightly different organizational structure than that represented by the accounting and budget structure. Finance operations are organized in six divisions: Administration, Accounting, Budget, Payroll, Grants, Revenue, and Utility Billing.

ADMINISTRATION

This Administration division provides administrative support, oversight, and leadership to all divisions of the Finance Department and ensures that the department's general operations are aligned with the City's Strategic Plan, goals, and objectives.

Administration (0510)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 457,590	$ 599,683	$ 764,356	$ 743,729	$ 768,417
Services & Supplies	379,915	423,547	697,198	492,868	492,868
Capital & Outside Agencies	808,091	950,512	969,040	969,040	969,040
Debt Service	266,912	400,367	266,912	266,912	266,911
Transfers	2,163,910	3,051,220	3,689,990	10,128,008	6,973,053
Total General Fund	**$ 4,076,418**	**$ 5,425,329**	**$ 6,387,496**	**$ 12,600,557**	**$ 9,470,289**
011 – MEASURE U FUND					
Services & Supplies	$ 2,685	$ -	$ 2,600	$ 2,600	$ 2,600
Transfers	106,129	-	-	157	157
Total Measure U Fund	**$ 108,814**	**$ -**	**$ 2,600**	**$ 2,757**	**$ 2,757**
040 – ECONOMIC DEVELOPMENT FUND					
Services & Supplies	$ -	$ 60,000	$ 130,000	$ 130,000	$ 130,000
Total Economic Development Fund	**$ -**	**$ 60,000**	**$ 130,000**	**$ 130,000**	**$ 130,000**
076 – LOCAL ECONOMIC AUGMENTATION FUND					
Transfers	$ -	$ -	$ 8,861,825	$ 8,336,268	$ -
Total Local Economic Augmentation Fund	**$ -**	**$ -**	**$ 8,861,825**	**$ 8,336,268**	**$ -**
801 – CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ 154,506	$ 52,491	$ 3,072,590	$ -	$ -
Debt Service	1,866	-	-	-	-
Total Capital Projects-General Fund	**$ 156,372**	**$ 52,491**	**$ 3,072,590**	**$ -**	**$ -**
Total Administration	**$ 4,341,604**	**$ 5,537,820**	**$ 18,454,511**	**$ 21,069,582**	**$ 9,603,046**

FINANCE

Finance analyzes the City's financial position and develops short- and long-range plans to ensure financial viability. It provides high-quality financial reporting and budget presentations; advises City management on business factors affecting the City's fiscal environment; ensures the security and proper disbursement of funds through effective appropriation management; administers the business license and transient occupancy tax ordinances including annual renewals, new licenses, inquiries, and coordination with State agencies; provides staff training to ensure that the divisions' technical capabilities remain current; develops and updates effective administrative policies to maintain internal controls; provides support to City departments to obtain the materials and services needed, within budget, and in compliance with procurement policies; and, maximizes investment earnings while safeguarding public funds as established by the City's Investment Policy and State law.

The Accounting Division in Finance safeguards the City's assets and seeks to provide accurate and timely financial data. It is the responsibility of the Accounting function to direct and monitor all financial transactions recorded in the accounting system in accordance with generally accepted accounting principles and guidelines. It reports on the financial position of the City and its departments and coordinates and prepares the City's annual financial statements. The Accounting function houses three major programs:

- **General Accounting** reviews analyzes and records financial data. This section is also responsible for the month-end and year-end reconciling and closing of accounting records. General Accounting prepares the City's Annual Comprehensive Financial Report (ACFR).
- **Accounts Payable** is responsible for producing accurate and timely payments to the City's vendors while safeguarding City assets through effective internal controls.
- **Accounts Receivable/Collections** strengthens cash inflows through the creation of invoices, the monitoring of past due accounts, and the recovery of outstanding payments owed to the City.

The Budget Division works with departments citywide to prepare the Biennial budget and monitors budget in accordance with the City policies. The division monitors, analyzes, and reports on the City's finances and operational performance through a variety of methods and output, including:

- Development, in tandem with City Departments, of the Annual Budget, or Biennial Budget with a comprehensive mid-cycle update and formal re-adoption by Council of the second year of the biennial budget. The resulting budget documents include a Budget in Brief and a Budget Book that provides significant detail about the City's financial outlook, budgeting process and projection methodologies, and departmental personnel, operations, programs, services, strategic goals, and performance measures.
- Compile and present the Annual Fees and Charges schedule for Council adoption; the Budget Team also supports departments by conducting studies for fees desired to be adjusted and for which Council approval is required and works with the City Attorney's Office to ensure that the applicable Municipal Code requirements (Chapter FS) for the adoption or adjustment of fees and charges is adhered to.
- Manage and monitor the Measure U funds, including ensuring that Council's direction for the allocation of Measure U revenues to spending initiatives is adhered to, and providing details of Measure U activity in the quarterly financial reports.

Prepare and present quarterly financial reports to the City Council that detail the year-to-date financial performance of the City's major funds, identify and disclose any areas of potential concern to the City's financial health, and recommend corrective action if appropriate.

The Payroll Division provides timely and accurate payments to our employees, while maintaining compliance with City policies & procedures, labor agreements, and State and Federal laws.

The Grants Division supports departments citywide with grant applications and reporting requirements. The Grants Division monitors grant revenues and expenditures and provides them with reporting.

The Revenue Division applies the Santa Maria Municipal Code and City ordinances to ensure equitable and fair application of taxes and fees paid to the City by residents, businesses, and visitors. This Division processes applications for brick-and-mortar, home-based, and mobile businesses located inside of Santa Maria's city limits and businesses located outside of the City but conducting business within the City, such as contractors, nonemergency transportation, and vendors. Business license taxes and transient occupancy taxes are a source of revenue for the City's General Fund. Effective management of the business license tax revenue collection effort is critical to ensure stable revenues are available to support police, fire, parks, and other public services. This Division provides quick and direct support of the business community through various channels, including in-person services at the Finance Department.

Finance (0520)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
001 – GENERAL FUND					
Salaries & Benefits	$ 1,011,178	$ 1,246,575	$ 1,768,863	$ 2,417,549	$ 2,573,777
Services & Supplies	195,763	98,399	163,200	185,558	185,558
Capital & Outside Agencies	6,683	46,853	-	-	-
Total General Fund	**$ 1,213,624**	**$ 1,391,827**	**$ 1,932,063**	**$ 2,603,107**	**$ 2,759,335**
801 – CAPITAL PROJECTS-GENERAL FUND					
Capital & Outside Agencies	$ 11,190	$ -	$ -	$ -	$ -
Total Capital Projects-General Fund	**$ 11,190**	**$ -**	**$ -**	**$ -**	**$ -**
Total Finance	**$ 1,224,814**	**$ 1,391,827**	**$ 1,932,063**	**$ -**	**$ -**

UTILITY BILLING

The Utility Billing Division ensures that residential and commercial customers are correctly billed for water, sewer, and refuse service; accurately records revenues and performs all necessary procedures to ensure that the City is fairly compensated for services; and, responds to utility customers' service needs by taking necessary actions on all service and billing inquiries.

Utility Billing (0530, 0533, 0534)	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
002 – WATER FUND					
Salaries & Benefits	$ 21,341	$ 192,962	$ 401,115	$ 285,379	$ 306,897
Services & Supplies	145,841	138,154	97,019	105,497	105,497
Total Water Fund	**$ 167,183**	**$ 331,116**	**$ 498,134**	**$ 390,876**	**$ 412,394**
003 – SOLID WASTE COLLECTION FUND					
Salaries & Benefits	$ 198,310	$ 183,524	$ 181,866	$ 260,478	$ 280,690
Services & Supplies	82,072	95,211	77,137	76,362	76,362
Total Solid Waste Collection Fund	**$ 280,382**	**$ 278,735**	**$ 259,003**	**$ 336,840**	**$ 357,052**
004 – WASTEWATER FUND					
Salaries & Benefits	$ 198,374	$ 183,674	$ 181,856	$ 260,468	$ 280,680
Services & Supplies	82,208	95,147	75,757	74,982	74,982
Total Wastewater Fund	**$ 280,582**	**$ 278,820**	**$ 257,613**	**$ 335,450**	**$ 355,662**
Total Utility Billing	**$ 728,147**	**$ 888,671**	**$ 1,014,750**	**$ 1,063,166**	**$ 1,125,108**

GLOSSARY

City of Santa Maria

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OVERVIEW

The following pages present specialized acronyms and terminology used throughout this budget document. The Glossary is divided into two sections: 1) Acronyms - defined to aid the reviewer in reading and understanding the budget; and 2) Terminology - full definitions of the acronyms.

ACRONYMS

Acronym	Definition
AB	Assembly Bill
ACF	Advanced Clean Fleet Regulation
ACFR	Annual Comprehensive Financial Report
ADA	Americans with Disabilities Act
AMCYC	Abel Maldonado Community Youth Center
APCD	Air Pollution Control District
ARPA	American Rescue Plan Act
BGAC	Block Grants Advisory Committee
BIT	Biennial Inspection Terminal Program
BOD	Biochemical Oxygen Demand
CACEO	California Association of Code Enforcement Officers
CAD	Computer-Aided Dispatch
CalPERS	California Public Employee Retirement System
CAP	Cost Allocation Plan
CAPSLO	Community Action Partnership of San Luis Obispo County
CARB	California Air Resources Board
CASp	Accessibility Certification
CBO	Congressional Budget Office
CCR	California Code of Regulations
CCWA	Central Coast Water Authority
CDBG	Community Development Block Grant
CEQA	California Environmental Quality Act
CERT	Community Emergency Response Training
CESQG	Conditionally Exempt Small Quantity Generator
CFAA	California Fire Assistance Agreement
CHP	California Highway Patrol
CIP	Capital Improvement Program
CMEP	Capital/Maintenance/Equipment Project
CMMS	Computerized Maintenance Management System
CNT	Crisis Negotiation Team
COP	Certificates of Participation
COVID-19	Coronavirus Disease 2019
CPI	Consumer Price Index
CSMFO	California Society of Municipal Finance Officers
CUPA	Certified Unified Program Agency
CY	Calendar Year
DAG	Development Advisory Group
DARE	Drug Abuse Resistance Education
DIVCA	Digital Infrastructure and Video Competition Act
DOF	Department of Finance
DOJ	Department of Justice
DTSP	Downtown Specific Plan
DWR	Department of Water Resources
EIR	Environmental Impact Report
ELAP	Environmental Laboratory Accreditation Program
EMS	Emergency Medical Services
EMT-I	Emergency Medical Technician – I
EOC	Emergency Operations Center
EPA	Environmental Protection Agency
ERMAC	Exclusive Risk Management Authority of California
ERP	Enterprise Resource Planning
EV	Electric Vehicle
FCC	Federal Communications Commission
FDMA	Frequency Division Multiple Access
FEMA	Federal Emergency Management Agency
FPPC	Fair Political Practices Commission
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Government Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
GPS	Global Positioning System
GST	Gang Suppression Team
GVWR	Gross Vehicle Weight Rating
HCD	Housing & Community Development
HUD	Housing & Urban Development

Acronym	Definition
HVAC	Heating, Ventilation, and Air Conditioning
ICT	Innovative Clean Transit
IPAM	Integrated Project Assessment Model
IRS	Internal Revenue Service
IWMF	Integrated Waste Management Facility
LAFCO	Local Agency Formation Commission
LAO	Legislative Analyst's Office
LAP	Language Access Plan
LAWCX	Local Agency Workers' Compensation Excess Joint Powers of Authority
LEAF	Local Economic Augmentation Fund
LED	Light Emitting Diode
LEP	Limited English Proficiency
LFR	Los Flores Ranch
MDC	Mobile Data Computers
MGD	Million Gallons per Day
MOA	Memorandum of Agreement
MOE	Maintenance of Effort
MOU	Memorandum of Understanding
MSD	Master Special District
NACSLB	National Advisory Council on State and Local Budgeting
NCSD	Nipomo Community Services District
NHIS	Non-Hazardous Hydrocarbon Impacted Soils
NST	Narcotics Suppression Team
OMB	Office of Management and Budget
OPEB	Other Post-Employment Benefits
OTS	Office of Traffic Safety
PARS	Public Agency Retirement System
PDES	National Pollutant Discharge Elimination System
PEG	Public, Education, and Government (public access television)
PEPRA	Public Employees' Pension Reform Act
PLAY	People for Leisure and Youth, Inc.
PMS	Pavement Management System
POST	Peace Officer Standards and Training
RDA	Redevelopment Agency
REACH	Regional Economic Action Coalition
RFP	Request for Proposal
RMS	Record Management System
RSTP	Regional Surface Transportation Plan
RWQCB	Regional Water Quality Control Board
SAFER	Staffing for Adequate Fire & Response
SB	Senate Bill
SBCAG	Santa Barbara County Association of Governments
SBP	San Luis Obispo County Regional Airport
SBZ	Special Benefit Zone
SCADA	Supervisory Control and Data Acquisitions
SEIU	Service Employees International Union
SET	Special Enforcement Team
SIR	Self-Insurance Retention
SM	Santa Maria
SMAT	Santa Maria Area Transit
SMBSD	Santa Maria-Bonita School District
SMCTV	Santa Maria Community Television
SMJUHS	Santa Maria Joint Union High School District
SMRL	Santa Maria Regional Landfill
SMRT	Santa Maria Regional Transit
SRS	Septage Receiving Station
SRTP	Short Range Transit Plan
SSI	State Self-Insurance
SWAT	Special Weapons and Tactics
SWRCB	State Water Resources Control Board
TAC	Technical Advisory Committee
TBRA	Tenant-Based Rental Deposit Assistance
TDA	Transportation Development Act
TOT	Transient Occupancy Tax
TPA	Third-Party Administrators
TSS	Total Suspended Solids
TV	Television
UAL	Unfunded Accrued Liability
UCLA	University of California Los Angeles
US	United States
USAR	Urban, Search and Rescue
WWTP	Wastewater Treatment Plant
ZEV	Zero Emissions Vehicle

TERMINOLOGY

Activities

Specific services performed in accomplishing program objectives and goals (see Program).

Ad Valorem Tax

A tax assessed based on the dollar value of an item or activity. Typical examples are property and sales taxes. Ad valorem taxes contrast with per-unit taxes, such as alcoholic beverage and cigarette taxes, which are assessed at a fixed dollar amount per unit purchased.

Air Pollution and Control District

The Air Pollution Control District is a local government agency that works to protect the people and the environment from the harmful effects of air pollution.

Aircraft Rescue and Fire Fighting

Airport rescue and firefighting services are performed for aircraft-type accidents at the Santa Maria Public Airport District.

Americans with Disabilities Act

Enacted on July 26, 1990, the Americans with Disabilities Act gives civil rights protections to individuals with disabilities similar to those provided to individuals based on race, color, sex, national origin, age, and religion. The Americans with Disabilities Act guarantees equal opportunity for individuals with disabilities in public accommodations, employment, transportation, State and local government services, and telecommunications.

Appropriation

An authorization made by the City Council that permits the City to incur obligations and to make expenditures of resources for specific purposes.

American Rescue Plan Act

Signed into law on March 11, 2021, the American Rescue Plan Act (ARPA) provides additional funding to State and local governments. Eligible uses of these funds include revenue replacement due to COVID-19 public health emergency, COVID-19 expenditures and or negative impacts attributed to COVID-19, premium pay for essential workers, and investments in water, sewer, and broadband infrastructure. ARPA funding must be used by the end of calendar year 2024.

Assessed Valuation

The value established for real property for use as a basis in levying property taxes. For all agencies in the State, the assessed value is established by the county for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under Article XIII of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100 percent of full value. Proposition 13 modified the value of real taxable property for the fiscal year 1979 by rolling back values to the fiscal year 1976 levels. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of two percent. However, increases to full value are allowed for property improvements or upon a change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal. Property taxes for general purposes cannot exceed one percent of the assessed value.

Audit

Prepared by an independent certified public accountant, the primary objective of an audit is to determine if the City's financial statements fairly present the City's financial position and results of operations in conformity with accounting principles generally accepted in the United States of America (USGAAP). In conjunction with performing an audit, independent auditors customarily issue a Management Letter stating the adequacy of the City's internal controls, as well as recommending improvements to the City's financial management practices.

Black Gold

The Black Gold Cooperative Library System, begun in 1964, creates and maintains the online public access catalog in six public libraries, bibliographic records, library automation services, and more.

Block Grant

The Federal grant allocated according to predetermined formulas and for use within a pre-approved broad functional area such as the Community Development Block Grant.

Bonds

A form of borrowing (debt financing), that reflects a written promise from the City to repay a sum of money on a specific date at a specified interest rate. Bonds are used to finance large capital projects such as buildings, parking structures, streets, utility infrastructure, and bridges.

Breeze

The Breeze is an inter-community transit service that began in May 2005. The transit service provides commuter-based general public transportation connecting Santa Maria, Vandenberg Air Force Base, and Lompoc, and in January 2013, began service to Los Alamos, Buellton, and Solvang, as mandated under State and Federal regulations for the transit needs of the northern Santa Barbara County urbanized areas.

Budget

A financial plan for a specified period that matches projected revenues and planned expenditures to municipal services, goals, and objectives. The City uses a budget covering two fiscal years, with actual budget appropriations made annually. All budgeted funds are required to be balanced. A balanced budget means that total anticipated revenues, plus fund balance applied if applicable, must equal the sum of budgeted expenditures for each fund.

Budget Amendment

The City Council has the sole responsibility for adopting the City's budget and may amend or supplement the budget, at any time, after adoption by a majority vote. The City Manager has the authority to approve administrative adjustments to the budget as long as those adjustments would not have a significant policy impact or effect on budgeted year-end fund balances.

Budget Manual

General and specific guidelines that govern budget preparation and administration.

Budget Message

Included in Section A of the budget, the Budget Message provides the City Council and the public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and the views and recommendations of the City Manager.

Business License Tax

A type of excise tax imposed on businesses for the privilege of conducting business within the City. The tax is most commonly based on gross receipts or levied at a flat rate.

Calendar Year

The calendar year starts January 1st and ends December 31st.

California Association of Code Enforcement Officers

The California Association of Code Enforcement Officers is a State-wide organization that exists to promote and advance the profession of code enforcement.

California Environmental Quality Act

A State law that requires public agencies to review projects before approval to identify possible adverse effects on the environment.

California Identification

The State-wide automated fingerprint identification database. Live Scan devices, used to capture fingerprints taken at the time a person is booked, are located in each law enforcement department. These devices transmit fingerprints taken during the booking process and electronically direct the fingerprints to the State's fingerprint database.

California Law Enforcement Telecommunication System

The California Law Enforcement Telecommunication System is a high-speed message switching system that became operational in 1970. The California Law Enforcement Telecommunication System provides law enforcement and criminal justice agencies access to various databases and the ability to transmit and receive point-to-point administrative messages to other agencies.

California Public Employee Retirement System

The City contributes to the California Public Employee Retirement System, an agent multiple-employer public employee defined benefit pension plan. The California Public Employee Retirement System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The California Public Employee Retirement System acts as a common investment and administrative agent for participating public entities within the State. Benefits provisions and all other requirements are established by State statute and City ordinance.

California Society of Municipal Finance Officers

The California Society of Municipal Finance Officers is a State-wide organization serving California municipal finance professionals. The organization promotes excellence in financial management through innovation, continuing education, and the professional development of its members. The City strives to create a budget document that meets the California Society of Municipal Finance Officers budget award criteria.

Capital Asset

A tangible, fixed asset that is long-term in nature, of significant value, and obtained or controlled as a result of past transactions, events, or circumstances. Fixed assets include land, buildings, equipment, improvements to buildings, and infrastructures such as streets and other immovable assets. A capital asset is defined as an asset with a useful life extending beyond a single accounting period and $5,000 or more in value.

Capital Budget

A plan of capital expenditures and the means of financing capital expenditures. The capital budget is adopted as part of the City's complete two-year budget cycle, including operating and capital outlays.

Capital/Maintenance/Equipment Project

Major construction, acquisition, or renovation activities that add value to the physical assets of the City, or significantly increase the asset's useful life. During the budget preparation process, all City departments are required to submit capital/maintenance/equipment project requests and justifications, assigned by priority, for review. Examples of capital/maintenance/equipment projects are capital equipment that costs $5,000 or more; remodels involving office furniture, repairs, or alterations to a facility or computer program; communications equipment; and assets including land, structures, and improvements. The approved requests are budgeted, as appropriate, in the General Fund Capital Projects, Enterprise, or Internal Service Funds.

Capital Outlay

Expenditures that result in an acquisition of or addition to fixed assets.

Capital Project Funds

This fund type is used to account for financial resources used in acquiring or building major capital facilities other than those financed by Proprietary and Trust Funds.

Carry-over

Expenditure originally planned in the current budget year but because of delays is postponed to the following budget year.

Central Coast Water Authority

The Central Coast Water Authority (CCWA) is a public entity duly organized and existing under a Joint Exercise of Powers Agreement, dated August 1, 1991. CCWA is composed of eight public agency members including the City. Members entered into the Joint Exercise of Powers Agreement to exercise CCWA's common power to acquire, construct, operate, and maintain waterworks and facilities for the development and use of water resources and water rights including without limitation, works and facilities to divert, store, pump, treat and deliver water for beneficial uses. CCWA's mission is to provide San Luis Obispo and Santa Barbara Counties with reliable, high-quality supplemental water, known as State Water.

Certificates of Participation

A debt instrument, commonly called Certificates of Participation, which provides long-term financing to construct or acquire capital facilities and equipment through a lease (with an option to purchase) or an installment agreement.

City Administrative Memorandums

City Administrative Memorandums are internal procedures established for all City departments to follow as directed by the City Manager. In other organizations, these directives can be found in a policy and procedures manual.

Clean Water Act

The Clean Water Act establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters.

Community Emergency Response Training

The Community Emergency Response Training Program educates people about disaster preparedness for hazards that may impact their community and trains people in basic disaster response skills, such as fire safety, light search and rescue, team organization, and disaster medical operations.

Community Development Block Grant

Grant funds allocated by the Federal government to the City. The Federal government determines the annual grant amount based on a formula that takes into account such factors as population growth, level of poverty, age of housing, and extent of overcrowding. The City has participated as an entitlement community in the Community Development Block Grant program since 1975, which was the first year of funding.

Construction Permits

The Building Division regulates building and associated construction activities to protect public health, safety, and welfare according to uniform construction codes governing land use and code enforcement. Construction permits are required for new buildings, additions, and installation or replacement of water heaters, furnaces, water treatment systems, and other appliances.

Coronavirus

A coronavirus is a type of common virus that infects humans, typically leading to an upper respiratory infection. COVID-19 is a name for a new disease, coined as an abbreviated form of coronavirus disease 2019. This is a mild to severe, even deadly, respiratory illness that is caused by a coronavirus. In late 2019/early 2020, the COVID-19 pandemic swept the globe, creating economic and social chaos.

Cost Allocation Transfers

Payments, by operating departments of the City to the General Fund, for central support services such as administration, payroll, and accounts payable.

Coverage

The margin of safety for payment of debt services that reflects the number of times by which earnings for some time exceed debt service payable in such a period.

Debt Financing

Issuance of bonds and other debt instruments for capital improvements needed today and pledging future revenues to repay principal and interest expenditures (see Debt Service). The City uses debt financing only for one-time capital improvements whose life will exceed the term of financing and where expected revenues are sufficient to cover the long-term debt.

Debt Service

Payments of principal and interest on bonds and other debt instruments according to a pre-determined schedule.

Debt Service Funds

Debt Service Funds are used to account for the payment and accumulation of resources related to general long term debt principal and interest; debt service payments related to enterprise operations are directly accounted for in those funds.

Department

A major organizational unit of the City that has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

Department of Water Resources

The Department of Water Resources operates and maintains the State Water Project, including the California Aqueduct. The Department provides dam safety and flood control services, assists local water districts in water management and conservation activities, promotes recreational opportunities, and plans for future State-wide water needs.

Division

A sub-operation of a City department.

Digital Infrastructure and Video Competition Act

Under this State law signed by the Governor in 2006, the City can no longer issue new cable franchises; they are instead issued by the State Public Utilities Commission. The City subsequently approved ordinances to acquire certain rights and responsibilities under the DIVCA, including the regulation and fees regarding the time, place, and manner of using the public rights-of-way, and customer service standards. Also, the City retains a five percent franchise fee, and a separate PEG franchise fee.

Downtown Fridays

Downtown Fridays are designed to give people more activities and events to do so they spend more time downtown. Launched in 2016, Downtown Fridays are held in late March into October, weather permitting, at Town Center West. The event is a component of the Downtown Specific Plan, and is a partnership of the City and local entrepreneurs.

Downtown Multimodal Streetscape Plan

The downtown area consists of four blocks east and west of Main Street (State Highway 166) and the area from Fesler Street north of Broadway (State Highway 135) to just south of the Public Library. The area also includes the Santa Maria Transit Center and the nearby Hancock Terrance Apartments along Boone Street. The goal is to enhance corridor access on Broadway and Main Street for walking, biking, and transit riders, to connect downtown to retail areas, civic areas, Allan Hancock College, the Transit Center, and surrounding disadvantaged communities.

Drug Abuse Resistance Education

Drug Abuse Resistance Education, better known as DARE, is an education program operated by the Police Department that seeks to prevent the use of illegal drugs, membership in gangs, and violent behavior. Police officers visit school children on campus to spread this message.

Emergency Operations Center

An Emergency Operations Center is a pre-designated facility established by the City to coordinate its overall response and support to an emergency.

Encumbrances

Resources that are set aside or committed to specific use and are no longer available for other expenditures. Encumbrances are also known as obligations.

Enterprise Funds

Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

Environmental Impact Report

A detailed review of a proposed project, its potentially adverse environmental effects, possible changes that can be made to reduce adverse effects, and possible alternatives.

Expenditure Savings

Under the City's budgeting procedures, staffing cost projections are based on all positions being filled throughout the year. Cost projections for major supply purchases and service contracts are projected on a similar basis. However, costs may be less due to vacancies and purchase cost savings. Experience indicates that actual expenditures are likely to be less than budgeted amounts, due in large part to this costing methodology. Accordingly, the expenditure savings category is used to account for this factor in preparing fund balance and working capital projections.

Expenditures

The outflow of funds paid or to be paid for an asset, goods, and services obtained regardless of when the expense is paid. This term applies to all governmental funds. Note: An encumbrance is not an expenditure; an encumbrance reserves funds to be expended.

Fee

A charge to the consumer for the cost of providing a particular service. City fee levies may not exceed the estimated reasonable cost of providing the particular service or facility for which the fee is charged, plus overhead.

Federal Communications Commission

The Federal government department that sets and controls the communications standards in the country.

Federal Transit Administration

The Federal agency administers formula discretionary grants to support a variety of locally planned, constructed and operated public transportation systems throughout the United States.

Fines, Forfeitures, and Penalties

Revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction.

Fiscal Year

The beginning and ending period for recording financial transactions. The City has specified July 1st to June 30th as its fiscal year.

Fixed Assets

Assets of long-term nature such as land, buildings, machinery, furniture, and other equipment. The City has defined fixed assets as those with an expected life over three years and an acquisition cost over $5,000.

Franchise

The fee paid to a municipality from a franchisee for "rental" or "toll" for the use of City streets and rights-of-way.

Full-Time Equivalent Position

A part-time or limited-service position converted to a decimal equivalent of a full-time position based on 2,080 hours per year (40-hour workweek). For example, an employee budgeted to work six months or 1,040 hours would be equal to 0.5 of a full-time position.

Function

A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a broad goal or accomplishing a major service. The six functions in the City's financial plan are Public Safety; Utilities; Public Ways and Facilities; Leisure and Cultural Services; Community and Economic Development; and General Government.

Fund

A fiscal accounting entity that records all financial transactions for specific activities or government functions. The generic fund types used by the City are General, Special Revenue, Debt Service, Capital Project, Enterprise, Internal Service, and Trust and Agency Funds.

Fund Balance

Also known as financial position, fund balance for the governmental fund types is the excess of fund assets over liabilities, and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses. The fund balance is a similar (although not exact) concept as working capital in the Enterprise Funds.

Gasoline Tax

Currently, 51.1 cents per gallon. The use of tax is limited to research, planning, construction, improvement, maintenance, and operation of public streets and highways or public mass transit guideways. Also called Highway Users Tax and Motor Vehicle Fuel License Tax.

General Fund

The primary operating fund of the City. All revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund, including Measure U. Except for subvention or grant revenues restricted for specific uses, General Fund resources can be utilized for any legitimate governmental purpose.

General Plan

The City's General Plan is a blueprint for growth. State law requires that the General Plan include seven elements. These elements must cover the following topics: Land Use, Circulation, Housing, Safety, Noise, Conservation, and Open Space. A General Plan has two main purposes: to provide information about the community and to provide the decision-making bodies with a framework of community goals and objectives by which specific development proposals are gauged.

General Revenue

Those revenues that cannot be associated with a specific expenditure, such as property (other than voter-approved indebtedness), sales, and business license taxes.

Generally Accepted Accounting Principles

Uniform minimum standards and guidelines for accounting and reporting. These standards govern the form and content of the annual financial statements of an entity. These include the standards, conventions, and rules that accountants follow in recording and summarizing, and in the preparation of financial statements.

Geographic Information Systems

A Geographic Information System (GIS) is an integrated collection of computer hardware and software used for the storage, retrieval, mapping, managing, viewing, analyzing, and modeling of data about geographic features. A GIS provides a framework for gathering and organizing mapped data about a city, along with related databases so that the information can be mapped and analyzed. GIS is used in all primary systems within the City, including utility mapping and management, police dispatch, fire response, emergency planning and operations, planning and development, and much more.

Governmental Accounting Standards Board

The Governmental Accounting Standards Board establishes financial accounting and reporting standards for State and local governmental entities, including the City. The standards guide the preparation of external financial reports of those entities.

Government Finance Officers Association

The Government Finance Officers Association is the professional association of state/provincial and local finance officers in the United States and Canada and has served the public finance profession since 1906. Government Finance Officers Association members are dedicated to the sound management of government financial resources. The City strives to create a budget document that addresses the Government Finance Officers Association program criteria as a policy guide, financial plan, operations guide, and a communications device.

Grants

Contributions of cash or other assets usually from another governmental agency to be used or expended for a specified purpose, activity, or facility.

H-2A Housing

Housing for temporary, nonimmigrant workers (H-2A workers) authorized by the Federal government to perform agricultural services of a temporary or seasonal nature.

Highway

The standard arterial road type in California, varying in width from two lanes to eight. Three State highways are passing through the City: Highway 101, Highway 135 (Broadway), and Highway 166 (Main Street).

Hotel/Bed Tax (also see Transient Occupancy Tax)

The term Hotel/Bed Tax is commonly used when referring to the transient occupancy tax. Transient occupancy tax is a tax levied by cities on persons staying in a room(s) in a hotel, inn, motel, tourist home, non-membership campground, or other lodging facilities.

Integrated Waste Management Facility

An Integrated Waste Management Facility is a comprehensive multi-faceted facility for handling solid waste. Solid waste is brought to this facility and sorted into categories for recycling, reuse, composting, landfilling, or other methods of solid waste disposal and use. The City is planning to open such a facility at Los Flores Ranch.

Internal Service Fund

Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government on a cost-reimbursement basis.

Investment Earnings

Revenue earned from the investment of idle public funds.

League of California Cities

The League of California Cities (LOCC) is an association of California city officials working together to enhance league members' knowledge, skills, exchange information, and combine resources that might influence policy decisions that affect cities. The LOCC represents cities' concerns regarding legislation and State finances and provides training for City officials and City Council members

Lexipol

A company that provides defensible policies and training for public safety organizations, including policy manuals and training solutions to reduce risk and avoid litigation.

LISTOS/Ready Santa Maria

The Listos/Ready Santa Maria program is a 12-hour, four-week emergency preparedness class taught by Fire Department staff to Spanish-speaking residents. Listos means Ready in Spanish.

Local Economic Augmentation Fund (LEAF)

The Local Economic Augmentation Fund is a reserve fund, made up of one-time discretionary resources, distinct from the General Fund that is designed to help balance the General Fund's operating budget during times of economic and/or financial crisis.

Local Agency Formation Commission

A Local Agency Formation Commission exists in each county, with powers to review, approve, or deny proposals for boundary changes and incorporations for cities, counties, and special districts.

Los Flores Ranch Park

This 2.8-square-mile City park located about eight miles south of Santa Maria, at 6245 Dominion Road, offers a rare mix of environmental education, recreation, and approximately eight miles of hiking/equestrian/mountain biking trails.

Licenses and Permits

Charges designed to reimburse the City for costs of regulating activities being licensed, such as licensing of animals, bicycles, etc.

Limited-Service Employees

Limited service employees are those employees who work up to 19-hours per week (shown in full-time equivalency

Line-Item Budget

A budget that lists detailed expenditure categories (salaries, postage, telephone service, chemicals, travel, etc.) separately, along with the amount budgeted for each specified category. Detail line-item accounts are maintained and recorded for financial reporting and control purposes.

Makerspace

A Makerspace is a place where people with shared interests, especially in computing and technology, can gather to work on do-it-yourself projects while sharing ideas, tools and equipment, and knowledge. The Santa Maria Public Library Makerspace program is offered in collaboration with Allan Hancock College and the Santa Maria Valley Discovery Museum.

Mandate

Legislation passed by the State or Federal government requiring action or provision of services and/or programs. Examples include the Americans with Disabilities Act, which requires actions such as physical facility improvements and provision of specialized transportation services.

Mass Notification System

The Mass Notification System is a mass communications service that provides City officials with the ability to communicate with all residents via telephone, text, and e-mail regarding time-sensitive and public safety matters, such as unforeseen events or emergencies. The Utility Billing Division utilizes this service on weekdays to send 48-hour shutoff notifications to customers who are delinquent in paying their utility bills.

Measure A

Measure A was passed by the voters of Santa Barbara County in November 2008. This measure extends, for 30 years, the existing half-cent sales tax used to fund local transportation projects that have been in place since the approval of Measure D in 1989.

Measure U

Measure U is a local transaction and use tax within the City of Santa Maria. City voters initially approved Measure U in the June 2012 election (63.95 percent support), enacting a one-quarter-cent general transaction and use tax. More recently, City voters in the November 2018 election (with a 74.18 percent majority) extended and enhanced Measure U at the one-cent rate, to support essential City services. The tax is imposed upon all retailers within the incorporated City Limits. The tax applies to gross receipts from any retailers from the sale of tangible property sold at retail within the City. The specific use of these tax proceeds is determined by the City Council, with the vast majority (90 percent) allocated to public safety. The Measure U Citizens' Oversight Committee reviews the annual independent financial audit, and any other City financial reports necessary to advise the City Council of its findings on an annual basis.

Memorandum of Understanding

A document providing a general description of the responsibilities that are assumed by two or more parties in pursuit of their goal(s).

Mobile Data Terminals

A mobile data terminal is a computerized device used in emergency vehicles to communicate with the public safety dispatch center.

Motor Vehicle License Fee

Motor vehicle license fees are assessed for the privilege of operating a vehicle on public streets. A motor vehicle license fee is annually levied at two percent of the market value of motor vehicles and is imposed by the State "in lieu" of local property taxes. A motor vehicle license fee is also called Motor Vehicle In-Lieu Tax.

Municipal Code

The Municipal Code contains all City ordinances as approved by the City Council. The document is arranged by titles, chapters, and sections. The City maintains the Municipal Code on its website for public usage.

National Pollutant Discharge Elimination System

The National Pollutant Discharge Elimination System Permit Program was established by the Federal government to control point-source discharges of water pollution. In California, these programs are administered by the State Water Resources Control Board and by nine regional boards that issue National Pollutant Discharge Elimination System permits and enforce regulations within their respective region.

Non-Hazardous Hydrocarbon Impacted Soils

Non-Hazardous hydrocarbon impacted soils is non-hazardous soil from oil sumps and mining operations, containing oil in levels approved by State regulators, and is used as cover material for the closed sections of the City's Landfill. The generators or owners of non-hazardous hydrocarbon

impacted soils pay to have the soil removed, and the City receives revenues to cover the cost of the closure, and for staff upgrades and enhancement.

Objective

A statement of specific direction, purpose, or intent based on the needs of the community and the goals established for a specific program.

Off-Highway Motor Vehicle License Fee

A fee imposed for the issuance or renewal of identification for every off-highway motor vehicle.

Operating Budget

The portion of the budget that pertains to daily operations and delivery of basic governmental services. The program budgets in the financial plan from the operating budget.

Operating Expenses

The cost for personnel, materials, and equipment required for a department to function.

Operating Revenues

Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day activities.

Operating Transfers

Payments from one City fund to another City fund for services, supplies, or repayments of expenses made on behalf of the fund.

Operations

A grouping of related programs within a functional area.

Ordinance

A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a State statute or constitutional provision, it has the full force and effect of law within the boundaries of the City.

Other Post-Employment Benefits

The Government Accounting Standards Board requires local governments to account for "Other Post-Employment Benefits." Other post-employment benefits ligations are primarily for retiree health care costs but may include other benefits such as insurance.

Part-Time Employees

Part-time employees are those employees working up to 32-hours per week in a budgeted position.

People for Leisure and Youth, Incorporated

People for Leisure and Youth, Incorporated is a non-profit public benefit corporation committed to promoting public welfare and education through the acceptance of contributions for use in enhancing, maintaining, and promoting the recreation, leisure, and parks services offered by the City's Recreation and Parks Department.

Peace Officer Standards and Training

The California Commission on Peace Officer Standards and Training set minimum selection standards for California peace officers employed by Peace Officer Standards and Training-participating agencies.

Program

A grouping of activities organized to accomplish basic goals and objectives. The budget includes various programs grouped into six functions.

Property Tax

An ad valorem tax imposed on real property (land and permanently attached improvements) and tangible personal property (movable property).

Proposition 1B

Proposition 1B, a transportation bond, was approved by California voters in November 2006, resulting in $19.925 billion in transportation funding for the State, cities, and counties.

Proposition 13

Article XIIIA of the California Constitution, commonly known as Proposition 13, which limits the maximum annual increase of any ad valorem tax on real property to one percent of the full cash value of such property.

Proprietary Funds

The Enterprise Fund accounts for operations that are financed and operated like private business enterprises – where the governing body intends that the costs of providing goods or services to the general public continuingly be financed or recovered primarily through user charges.

Provisional Employee

An employee who has not completed a probationary period and who has not been appointed to his/her present class from an eligible list.

Public Agency Retirement System

All seasonal and temporary employees, and all other employees not covered by the California Public Employees Retirement System, are covered by the Public Agency Retirement System according to the requirements of 3121 (b)(7)(F) of the Internal Revenue Service Code (IRS). The Public Agency Retirement System is a Defined Contribution Plan qualifying under 401(a) and 501 of the IRS code.

Public, Education, and Government

Because of its three components, Public Access Television is sometimes referred to as Public, Education, and Government programming or Santa Maria Community TV.

Quimby Fees

The 1975 Quimby Act authorized cities and counties to pass ordinances requiring that developers set aside land, donate conservation easements, or pay fees for park improvements.

Regional Water Quality Control Board

The Regional Water Quality Control Board's mission is to develop and enforce water quality objectives and implementation plans that will best protect the State's waters, recognizing local differences in climate, topography, geology, and hydrology. These tasks include: protecting and enforcing the many uses of water including the needs of industry, agriculture, municipal districts, and the environment.

Rental Income

Revenues received through the rental of public properties, such as recreation and park facilities to private parties.

Reserve

An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose, therefore, not available for general appropriation.

Revenue

Annual income received by the City from external sources to finance City operations.

Revenue Bonds

Bonds sold to construct a project that will produce revenues pledged for the payment of related principal and interest.

Revenue from Other Agencies

Revenues received from the local, county, State, and Federal governments. These funds come in the form of support for programs, such as entitlement programs and one-time grants for which applications must be submitted.

Rights-of-Way

The legal right of passage over property owned by another party. A parcel of land granted by deed or easement for construction and maintenance according to a designated use.

SAFER Grant

SAFER stands for Staffing for Adequate Fire and Emergency Response. These competitive grants, from the Department of Homeland Security through the Federal Emergency Management Agency, are utilized by the Fire Department to purchase equipment and hire firefighters.

Sales Tax

Sales tax is imposed on retailers for the privilege of selling tangible personal property in California. The tax base is the total retail price.

Santa Barbara County Association of Governments

The Santa Barbara County Association of Governments is a regional planning agency comprised of Santa Barbara County and all eight incorporated cities within the County. Santa Barbara County Association of Governments distributes local, State, and Federal transportation funds and acts as a forum for addressing regional and multi-jurisdictional issues.

Santa Maria Community Television

Santa Maria Community Television (SMCTV) is a public access television studio with three cable channels for public, educational, and government programming. The operation is funded through an annual grant paid by Comcast Cablevision as a condition of the franchise agreement and by outside revenues secured by staff. SMCTV employees are assigned to the City Manager's Office.

Santa Maria Regional Transit

Santa Maria Regional Transit (SMRT) provides a regional public transportation service, as mandated under State and Federal regulations, for the transit needs of the Santa Maria urban area.

SB 1 Funding

The "Road Repair and Accountability Act" (SB 1) signed by the Governor in 2017, sets gas and diesel per-gallon taxes to generate $5 billion annually in long-term, dedicated transportation funding to make road safety improvements, fill potholes, repair local streets, highways, bridges, and overpasses, with the revenues split equally between State and local government projects. SB 1 is to dedicate about $2 million per year, through annual payments, to the City of Santa Maria. The City intends to improve neighborhood streets with these funds.

Septage Receiving Station

The septage receiving station at the Wastewater Treatment Plant screens septage offloaded from haul trucks for safe introduction to plant processes.

Santa Maria River Levee

The 17-mile-long Santa Maria River Levee provides flood protection to the Santa Maria Valley and the City. The City does not own, operate, or maintain the levee. The levee was designed and built by the

Army Corps of Engineers from 1959 to 1963 and is owned and operated by the Santa Barbara County's Department of Public Works' Flood Control District. The City and County successfully lobbied for levee repairs, and a multimillion-dollar rehabilitation project, to strengthen the structure to modern standards, began in 2009 and was done by 2014. The City and County contributed funds to complete the rehabilitation of the final 3,700-foot section.

Service Charges

Charges imposed to support services to individuals or to cover the cost of providing such services. The fees charged are limited to the cost of providing the service or regulation required (plus overhead).

Special Revenue Funds

This fund type is used to account for the proceeds from specific revenue sources (other than trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Sphere of Influence

A sphere of influence is an unincorporated area that is subject to the influence of City planning because it is destined to become annexed. The Local Agency Formation Commission has sole responsibility for establishing a City's sphere of influence.

State Mandated Costs

Article XIIIB, Section 6 of the California Constitution which requires the State to reimburse local agencies for the cost of State-imposed programs. The process is commonly called "SB 90" after its original 1972 legislation.

State Water

State Water is a supplemental, high-quality water source, imported from northern California by way of a complex system of canals, pipelines, pumps, and treatment plants. Deliveries to participating communities within Santa Barbara County began in 1997. In most years, a large percentage of Santa Maria's municipal water consists of State Water.

Subventions

Revenues collected by the State (or other levels of government), which are allocated to the City on a formula basis. The major subventions received by the City from the State include motor vehicle in-lieu and gasoline taxes.

SWAT

A unit within a police force that is trained to deal with situations of unusual danger, especially when requiring aggressive tactics or enhanced firepower. SWAT stands for Special Weapons And Tactics.

Target Budget

A budget that is based on a specific predetermined allocation of financial resources per department. Operational decisions are made by departments with the intent of not exceeding the department's predetermined financial resources.

Tax

A compulsory charge levied by a government for financing services performed for the common benefit.

Tax Increment Financing

A tax incentive designed to attract business investment by dedicating to the project area the new property tax revenues generated by redevelopment. The increase in revenues (increment) is used to finance development-related costs in that district.

Traffic Safety Fund

All fines and forfeitures received as a result of arrests by City officers for vehicle code violations must be deposited in a special City "Traffic Safety Fund" to be used for traffic control devices; maintenance of equipment and supplies for traffic law enforcement, traffic accident prevention; maintenance/improvement or construction of public streets, bridges or culverts; and the compensation of school crossing guards who are not regular full-time members of the Police Department.

TrakIt

TrakIt is a proprietary municipal software application used by City departments to track and map all City activities down to the address level. Uses range from tracking code compliance cases, permitting and project planning, tracking work orders, and more.

The Transportation Development Act

The Transportation Development Act is one of the major funding sources for public transit in California. The Transportation Development Act provides two funding sources: the Local Transportation Fund and the State Transit Assistance Fund. The Transportation Development Act revenues are allocated to transportation programs, including regional and municipal transit systems, pedestrian and bikeway improvements, and street and road construction.

Transient Occupancy Tax (TOT) - Also see Hotel/Bed Tax

A tax levied by cities on persons staying in a room(s) in a hotel, inn, motel, tourist home, non-membership campground, or other lodging facilities. The City's TOT rate is 10 percent. In early 2016 the City Council approved the formation of a Tourist Improvement District (TID), assessing a two percent fee on each overnight stay in a Santa Maria motel or hotel room; those funds are used by the TID members to market the community to overnight guests.

Unrestricted

Under the Governmental Accounting Standards Board, Unrestricted fund balance is the amount of fund balance left after determining both non-spendable and restricted net resources. The unrestricted fund balance is the amount of fund balance that a local government, itself, has placed constraints on its use (committed and assigned) and fund balance that does not have any specific purpose identified for the use of those net resources (unassigned). The unrestricted fund balance, therefore, includes the committed, assigned, and unassigned classifications.

Vehicle License Fee

Established in 1935 as a uniform State-wide tax, the vehicle license fee is a tax on the ownership of a registered vehicle in place of taxing vehicles as personal property. By law, all revenues from the vehicle license fee fund City and County services, but the State Legislature controls the tax rate and the allocation among local governments. In 2004, the Legislature permanently reduced the vehicle license fee tax rate and eliminated State general fund backfill to cities and counties. Instead, cities and counties receive additional transfers of property taxes in-lieu of vehicle license fees.

Wastewater Treatment Plant

The Wastewater Treatment Plant, located on Black Road, treats and disposes of millions of gallons of wastewater and accepted septage within State and County standards.

Working Capital

Known as a financial position in private sector accounting and enterprise fund accounting in the public sector, working capital is the excess of current assets over current liabilities. For the enterprise funds, this term is a similar (although not exact) concept as fund balance in governmental fund types.

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APPENDICES

City of Santa Maria

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APPENDIX A: FINANCIAL AND BUDGET POLICIES

INTRODUCTION

SUMMARY

The financial integrity of any City is of utmost importance. A key element in maintaining this integrity is the development of a comprehensive set of budget and financial policies to guide city action. The City operates under a variety of budget and financial policies that can be found in many different sources, such as City Council Resolutions, budget documents, as well as other Council and administrative policies. The following Budget and Financial Policies are designed to bring together all existing policies; to formalize those undocumented policies currently being used, to develop financial policies in compliance with the National Advisory Council on State and Local Budgeting and the Government Finance Officers Association (GFOA) recommendations.

Written, adopted financial policies have many benefits, such as assisting the City Council and City Manager in the financial management of the City, saving time and energy when discussing financial matters, increasing public confidence, and providing continuity over time as City Council and staff members change.

RESPONSIBILITY

The Budget and Financial Policies are and may be periodically amended. The following policies are designed to promote sound financial management and guide the City in maintaining financial stability, efficiency, and effectiveness.

BUDGET POLICIES

SUMMARY

The adoption of a budget is one of the most important actions taken by the City Council, as the budget establishes the City's priorities and goals. The budget determines how resources are assigned to the goals, objectives, and priorities set forth by the City Council. The budget is, in reality, the financial work plan, translated into appropriations and supported by revenues. The following policies guide the development and management of the budget.

TWO-YEAR BUDGET

The City uses a two-year financial plan, which emphasizes long-range planning and effective program management. The City began preparing a two-year budget with the development of the 1986-88 Two-Year Budget. Preparing a two-year budget reinforces the importance of long-range planning, promotes more orderly spending patterns, and significantly reduces the amount of time and resources allocated to preparing annual budgets.

The City Council adopts a two-year budget that consists of two, one-year budgets. This format means that each year, of the two-year budget, is a separate spending guide and those unused appropriations will lapse at the end of the first fiscal year unless specifically carried forward into the second fiscal year. All unexpended appropriations lapse at the end of the two-year fiscal year period unless encumbered. Lease contracts entered into by the City are subject to annual appropriation by the City Council; hence the leases are legally one-fiscal year contracts with an option for renewal for another fiscal year.

BUDGET ADMINISTRATION

The City Council may amend the budget by a majority vote of the City Council at any time during the two years. The City Manager is authorized to make administrative adjustments to the budget as long as those changes do not significantly impact policy or affect budgeted year-end fund balances. Any revisions that alter the fund balance of a fund must be approved by the City Council. The level at which expenditures may not legally exceed appropriations is, therefore, established at the fund level.

MID-YEAR BUDGET REVIEW

At the end of the first budget year, a Mid-Year Budget Review is conducted and recommended budget amendments for the second budget year are presented for City Council consideration.

MEASURABLE GOALS AND OBJECTIVES

Each fiscal year, measurable program goals and objectives are developed by each City department. In addition to the publication of the Two-Year Budget, a separate document entitled "Goals and Objectives," is annually published by the City Manager's Office. The status of these goals and objectives are then formally reported, quarterly during the fiscal year, to the City Council.

QUARTERLY BUDGET REVIEWS

Reports on the City's fiscal condition are presented to the City Council four times per year. If necessary, budget amendments required to maintain ongoing operations are presented to the City Council for consideration at that time.

BALANCED BUDGET

Unless otherwise authorized by the City Council, the City strives to adopt a balanced budget whereas operating revenues are equal to, or exceed, operating expenditures during each year of the two-year budget period. Any increase in expenses, a decrease in revenues, or a combination of the two that results in a budget imbalance requires a budget revision initiated by the City Manager, rather than spending unappropriated surpluses or designated reserves to support ongoing operations. Any year-end operating surplus will revert to equally to General Fund Assigned Fund Balance for Unfunded Pension Benefits, to the capital projects fund for "one-time-only" General Fund expenditures, and to Local Economic Augmentation Fund (LEAF) until the LEAF fund balance reaches 5 percent of operating General Fund and Measure U operating appropriations.

Under this policy, it is allowable for total expenditures to exceed revenues in a given year; however, in this situation, beginning fund balance should only be used to fund capital improvement projects, or other "one-time," non-recurring expenditures.

FINANCIAL REPORTING POLICIES

ANNUAL REPORTING

The City will prepare annual financial statements following generally accepted accounting principles (GAAP) requirements. The City will contract for an annual audit to be performed by a qualified independent certified public accountant and will strive for an unqualified opinion from the independent auditors.

The City will issue a request for proposal (RFP) at least every five years to evaluate replacement of the current auditors – this is to ensure that internal controls are freshly examined. Due to the frequent lack of qualified audit firms in the public sector, the current auditors are allowed to respond to the RFP.

The City will use GAAP in preparing the annual financial statements with the intent of meeting the requirements of the GFOA's Award for Excellence in Financial Reporting Program. The City will issue audited financial statements within 180 days of the year-end date of June 30th.

INTERIM REPORTING

The City will prepare, and issue timely, interim reports on the City's fiscal status to the City Council and staff. These reports will include, but are not limited to, the following:

- Online access to the City's financial management system.
- Updated, computerized financial reports available to City departments within five working days of month-end.
- Quarterly, departmental analysis of revenues and expenditures; including a comparison of budget to actual, for revenues and expenditures, and an explanation of variances greater than five percent of major categories (Salaries, Materials, Equipment, and Contracts); with

departments explaining variances, on the division level, greater than ten percent of their total budget.

- Quarterly Financial Reports to the City Council, outlining current economic conditions, the financial status of major funds, and if needed, budget amendments required to maintain ongoing operations.
- At the end of the first budget year, a Mid-Year Budget Review to assess revenues to-date, projected revenues, the adequacy of the second-year budget, and identify any needed adjustments. This report recommends budget amendments to the City Council for consideration for the second-year budget.

DIVERSIFIED AND STABLE REVENUE BASE

The City seeks to maintain a diversified and stable revenue base to protect from short-term fluctuations in any one revenue source.

CURRENT REVENUES FOR CURRENT USES

The City will expend all current expenditures utilizing current revenues; and avoid procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.

INTERFUND TRANSFERS AND LOANS

In adherence to grant requirements, GAAP, and public policy goals, the City has established various special revenue, capital project, debt service, and enterprise funds to account for revenues that are restricted to certain activities. Accordingly, each fund exists as a separate financing entity from other funds, with its revenue sources, expenditures, and fund equity.

Transfers among funds for operating purposes are outlined in the two-year budget document and can only be made by the Director of Finance, following the adopted budget. These operating transfers, under which financial resources are transferred from one fund to another, are distinctly different from inter-fund borrowing, which are customarily made for temporary cash flow reasons, and are not intended to result in a transfer of financial resources by the end of the fiscal year. In summary, inter-fund transfers result in a change in fund equity; inter-fund borrowings do not, as the intent is to repay the loan in the near term.

From time to time, interfund borrowings may be appropriate; however, these are subject to the following criteria to ensure that the fiduciary purpose of the fund is met:

- The Director of Finance is authorized to approve temporary inter-fund borrowings for cash flow purposes whenever the cash flow is expected to be resolved within 45 days. The most common use of this type of inter-fund borrowing is for grant programs such as Local Law Enforcement Block Grant Funds, where costs are incurred before drawdowns are initiated and received; and the receipt of funds is typically received shortly after the request for funds was made.
- Other inter-fund borrowings, for cash flow or other purposes, are dealt with by a case-by-case review by the Director of Finance.

REVENUE MANAGEMENT POLICIES

REVENUE DISTRIBUTION

The City Council recognizes that GAAP, for State and local governments, discourages the "earmarking" of General Fund revenues. Though there may be occasions when specific revenue may be needed to fund an activity, the practice of designating General Fund revenues for specific programs should be minimized in the City's management of its fiscal affairs. Approval of the following revenue distribution policies does not prevent the City Council from directing General Fund resources to other functions and programs, as necessary.

- Property Taxes: With the passage of Proposition 13 in 1978, California cities cannot set individual

property tax rates. In addition to limiting annual increases in market value, placing a ceiling on voter-approved indebtedness, and redefining assessed valuations, Proposition 13 established a maximum County-wide levy for general revenue purposes of one percent of market value. Subsequent State legislation adopted formulas for the distribution of a County-wide levy of property taxes. The City now receives a percentage of total property tax revenues collected County-wide as determined by the County Auditor-Controller. General property tax remitted from the County is deposited into the General Fund as discretionary revenue.

- Gasoline Tax Subventions: All gasoline tax revenues restricted by the State for street-related purposes will be used for maintenance activities. Because the City's total expenditures for gas tax eligible programs and projects are much greater than this revenue source, operating transfers will be made between the Gas Tax fund and the General Fund. This approach significantly reduces the accounting efforts required in meeting State reporting requirements.
- Transportation Development Act (TDA) Revenues: TDA revenues are allocated to transportation programs, including regional and municipal transit systems, pedestrian and bikeway improvements, and street and road construction.
- Proposition 218: According to the terms of Proposition 218 passed by the voters in November 1996, tax revenues cannot be initiated or increased without a majority vote of the populace. Therefore, the City property tax, sales tax, business license tax, and transient occupancy tax revenues cannot be increased without a community vote.

COST RECOVERY POLICY

USER FEES POLICY

The City imposes fees and charges to users for City services, goods, and permits. These fees and charges can be set at 100 percent of full cost or be subsidized by City funds. In adoption of fees, it must be found that fees and charges do not exceed the City's costs of providing the service or processing work. User fees and charges will be adjusted biannually to recover the full cost of services provided, unless City Council determines that a subsidy from the General Fund (or any other fund) is in the public's best interest.

According to the standards established by Government Finance Officers Association (GFOA) and National Advisory Council on State and Local Budgeting (NACSLB) and their best practice guidelines, governments should calculate the full cost of the different services they provide. For instance, GFOA recommends a formal fee policy that should identify factors to be considered when pricing services.

Factors to be Considered When Setting Fees and Charges, and Cost Recovery Levels:

- Consider community-wide versus special service nature of the program or activity. The use of general purpose (tax) revenue is appropriate for community-wide services, while user fees at full cost are appropriate for services which are of special benefit to easily identified individuals or groups.
- The full cost of providing a service should be calculated to provide a basis for setting the charge or fee. Full costs shall include the following elements: direct labor, fringe benefits, equipment, materials, contract services, utilities, and cost allocation of indirect expenses, including legislative and central service costs.
- Fees and charges, in the absence of a specific public policy exception, should be set at full cost recovery.
- Public policy exceptions can occur due to the nature of the program or activity.

DEVELOPMENT IMPACT FEES

The Council's policy is that to the extent reasonable, growth should pay for itself. As such, the Council has adopted a schedule of development impact fees. Development impact fees are one-time

charges assessed against new customers to recover their proportional share of capital costs incurred to provide service capacity for new customers. Developer contributed assets will be considered for credits against the impact fee based on a modeled value. Appropriate development fees are an important component in the overall strategy for financing capital improvements.

The city's objectives for development impact fees shall include but are not limited to the following:

- Support the reasonable cost of growth.
- Consider the impact of growth on existing residents.
- Develop cost justified development fees.
- Address infrastructure requirements.
- Promote economic development.
- Provide financial capacity.

Development impact fees may be assessed for a public purpose such as:

- Libraries
- Parks, recreation facilities, trails and open space
- Law enforcement
- Fire protection
- General government
- Transportation
- Water
- Water resources
- Wastewater
- Solid Waste

DEBT POLICIES

The City's debt management policy requires full disclosure of all financial reports. The City's practice is to pay for capital projects and capital improvements on a pay-as-you-go basis using current revenues whenever possible. If a project or improvement cannot be financed with current revenues, long-term debt will be considered. The City will consider refinancing outstanding debt after comparing the cost of refinancing with the savings from reduced interest expense. Every effort will be made to limit the amount of general obligation debt. All general obligation debt will be used only for public purposes.

The following are those factors the City will take into consideration when incurring debt:

- The City will adhere to its debt covenants.
- The City will periodically review its debt capacity.
- The City will issue bonds only for capital improvements and general obligations. Long-term debt will not be used to fund operating activities.
- The City will publish and distribute an official statement for each bond and rate issue.
- The City will not issue long-term debt with a maturity longer than the useful life of the project or item funded.
- If the City utilizes long-term debt financing, staff will ensure that the debt is soundly financed by determining that the cost/benefit ratio of the improvement is positive and the revenue sources used to repay the debt are conservatively projected.

- Where possible and feasible, the City will use special assessment, revenue, or other self-supporting bonds and avoid the use of general obligation debt.
- The City will maintain solid relationships and communications with bond rating agencies and will strive for improvements in the City's bond rating.

FUND BALANCE RESERVES

BACKGROUND

To protect City operations from downturns in the economy, State reductions of local revenues, natural or man-made disasters, and the City's creditworthiness, the City Council desires that the City maintains specific fund balance levels for the General and Enterprise Funds. These minimum balances will adequately provide for cash flow requirements and provide a contingency for unanticipated operating or capital needs.

MINIMUM BALANCES

General Fund: The City's General Fund will endeavor to maintain a minimum unassigned fund balance of at least 25 percent of operating appropriations. These reserves are needed to insulate the General Fund programs and current service levels from large and unanticipated one-time expenditure requirements, a revenue reduction due to a change in State or Federal legislation, and other unforeseen circumstances.

In 2010-11, the City adopted a General Fund Prudent Reserve under Governmental Accounting Standards Board (GASB) Statement Number 54. The prudent reserve amount is updated annually calculated based on 25 percent of operating appropriations. Appropriations from the reserve can only be made by formal City Council action and are limited to emergencies such as:

- An unplanned, major event such as a catastrophic disaster requiring expenditures over five percent of the adopted General Fund Budget.
- Budgeted revenue took over by another entity.
- A drop in projected/actual revenue of more than five percent of the adopted General Fund revenue budget.

Should the prudent reserve commitment be used, and its level falls below the minimum amount as described herein, the goal is to replenish the fund within two fiscal years.

ENTERPRISE FUNDS

The Enterprise Funds of Water Resources, Solid Waste, and Transit, will endeavor to fund and maintain a minimum working capital balance of 20 percent of operating appropriations.

VEHICLE AND EQUIPMENT REPLACEMENT FUNDS

The City maintains three "Internal Service Funds" to provide for the timely replacement of vehicles and related equipment, business equipment, and communication equipment. The City will endeavor to maintain a minimum fund balance in each of these funds equal to 20 percent of the original purchase cost of the items accounted for in the fund.

As an Internal Service Fund, revenues are received by charging the other City funds utilizing vehicle and related equipment, business equipment, and communication equipment. The annual contribution to this fund will be based on a use allowance. The use allowance is calculated by the original cost of the item plus a four percent cost growth, divided by the estimated life of the vehicle or equipment. Also, funds are charged for actual incurred maintenance costs plus overhead.

LIABILITY AND WORKERS' COMPENSATION FUNDS

The City will perform annual actuarial studies for the Liability and Worker's Compensation funds and will fund the Liability Insurance fund at the 80 percent confidence level and the Worker's Compensation Fund at the 90 percent confidence level.

As prudent, based on cost and benefit analysis, the City may elect to self-insure certain assets. The City will review funding levels for self-insured assets on an annual basis and set-aside appropriated reserves to replenish assets throughout the year. The funds will be set-aside as reserves within the respective operating or internal insurance funds.

LOCAL ECONOMIC AUGMENTATION FUND

The Local Economic Augmentation Fund is a reserve fund established in 2000-01 to be used as the primary financing mechanism to address any potential revenue shortfalls during times of economic downturns or severe State action, so as not to significantly impact the operating budget and service levels of the General Fund. The City Council set aside General Fund proceeds into this account. The intent of this fund is to be used as a "gap financing" mechanism during downturns in the local economy. The City will strive to maintain 5 percent of General Fund and Measure U fund annual appropriations in the LEAF fund balance.

APPROPRIATIONS LIMITATION

BACKGROUND

Proposition 4 (Gann Initiative) requires that all local governments calculate and report the annual appropriations limits, i.e., the maximum appropriation, allowed by law, that the municipality may spend. Article XIII-B of the State Constitution Senate Bill 1352, passed in August 1980, requires each local government to establish, by resolution, an annual appropriations limit. In June 1990, the voters of the State of California approved Proposition 111, which subsequently modified the adjustment formula.

Under Proposition 4, if a local government ends the fiscal year with more proceeds of taxes than the appropriations limit allows, the municipality is required to return the excess to the taxpayers within two years (by reducing taxes or fees). Municipalities may use those two years to request voters to approve an override increasing the appropriations limit.

REPORTING REQUIREMENTS

- Annually, in July, the City Council will adopt a resolution establishing the City's appropriations limit calculated following Article XIII-B of the Constitution of the State of California, Section 7900 of the State of California Government Code, and any other voter-approved amendments or State legislation that affect the City's appropriations limit.
- The supporting documentation used in calculating the City's appropriations limit and, projected appropriations subject to the limit, will be available for public and City Council review at least 10 days before City Council's consideration of a resolution to adopt an appropriations limit. The City Council will generally consider this resolution in connection with the final approval of the budget.
- The City will strive to develop revenue sources, new and existing, which are considered non-tax proceeds in calculating its appropriations subject to limitations.
- The City will actively support legislation or initiatives sponsored or approved by the League of California Cities that would modify Article XIII-B of the Constitution in a manner that allows the City to retain projected tax revenues that result from growth in the local economy for use as determined by the City Council.
- The City will seek voter approval to amend the appropriations limit if the tax proceeds are more than allowable limits.

CAPITAL MAINTENANCE EQUIPMENT PROJECT

OTHER DESIGNATIONS AND RESERVES

In addition to the designations noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years, which are carried forward into the new year; debt service reserve requirements; reserves for encumbrances; and other reserves or designation required

by contractual obligations, State law, or GAAP requirements. Appropriations for projects approved in prior years will be carried forward administratively unless a project has not commenced within two years from the original funding approval date.

CAPITAL MAINTENANCE EQUIPMENT PROJECT (CMEP) PURPOSE

The purpose of the CMEP is to systematically plan, schedule, budget, and finance capital projects to ensure cost-effectiveness and efficiency of construction.

General Fund CMEPs will be budgeted in the General Fund Capital Projects Fund, while Enterprise and Internal Service Fund CMEPs will be budgeted in the individual funds.

The CMEP is a four-year plan organized into the same functional groupings used for the operating programs. Because the four-year plan is a planning tool rather than a budgeting tool, only two years of CMEPs are reported in the two-year Capital Project section of the budget. The CMEP, reported in the two-year budget, reports the responsible fund, the year funding will be appropriated, funding sources, and totals by category (Public Safety, Public Utilities, Public Ways and Facilities, etc.).

CMEP - $5,000 OR MORE

Construction projects and equipment purchases, that cost $5,000 or more, will be included in the Capital Projects section of the budget; while minor capital outlays of less than $5,000 will be included within the operating program budgets.

CMEP REVIEW

The City Manager's Office, in combination with the Public Works and Finance Departments, will review the project proposals and determine a listing of projects for the two-year budget document. CMEP projects that were approved in the prior budget but that did not start by the end of the calendar year are ineligible for carryover to the new budget.

DEFINITIONS

The following definitions are provided to clarify the difference between a capital project (outlay) and a capital/maintenance equipment project.

Capital Outlay: A capital project must include one or more of the following:

- Betterment: The replacement of an asset, by an improved or superior asset, results in a productive, efficient, and long-lived property. Betterment is considered capital outlay when the amount expended is "significant," generally 20 percent or greater than the market value of the assets.
- Addition: Attached or separate units, which are extensions of an existing unit.
- Acquisition, Construction, Rights-of-Way, etc.: The acquisition of new tangible assets, which are generally classified as land, structures, and improvements.

Maintenance: An expenditure for repair or alteration to a facility, which neither materially adds to the value of the facility nor appreciably prolongs its life.

Capital Equipment: The acquisition of capital equipment that is classified as Fixed Assets. Generally, the equipment is valued at $5,000 or more plus any computers, communications, or technical equipment that attach to the City's network are classed as fixed assets. Other equipment under $5,000 may be acquired from operating funds.

CMEP APPROPRIATION

Departmental requests for Capital/Maintenance Equipment Project funding are reviewed against the following criteria:

- Are additional funds needed to complete projects in progress;
- Is the project required to meet a legal or policy mandate;

- Is the project required to improve unacceptable health and/or safety conditions;
- Is the project required to maintain existing facilities or assets;
- Is the project required to maintain existing service levels;
- Will the project reduce other City costs;
- Will the project enhance and maximize operational efficiencies?

Generally, project appropriations are made when the two-year budget is approved. If project costs at the time of bid award are less than the budgeted amount, the balance will be unappropriated and returned to fund balance or, with the approval of the City Manager, allocated to another project. If project costs at the time of bid award are greater than budget amounts, the following options are available:

- Eliminate the project from the CMEP listing;
- Defer the project for consideration to the next budget period;
- Redesign or change the phase of the project to meet the existing budget;
- Transfer funding from another specified lower priority project;
- Request City Council approval to appropriate additional resources from fund balance.

BUDGET CARRYOVER

To ensure that appropriations for uncompleted capital projects, grants, and professional services, from the fiscal year that is being closed, are available in the new fiscal year, departments follow a carry-over process. This process requires a departmental review of appropriations and expenditures as of the last day of the fiscal year; identification of purchase orders rolled over to the new fiscal year; determination of uncompleted grants, contracts, and capital projects.

The project appropriations will be reviewed biennially through the budget development process and any modifications for appropriations will be reviewed through the budget adoption.

Carry-over budget amounts are unused appropriations in the previous fiscal year and additions to the new fiscal year budget. These are grants, agreements, or projects that received City Council approval, but purchase orders were not issued nor were the projects/contracts/grants completed at year-end. Qualifying carry-over appropriations are requests for bids, requests for proposals, grants spanning multiple fiscal years, and approved uncompleted capital projects.

Before any budget carryover departments submit a listing of the unused appropriations/budget carryover request to the Department of Finance for consideration and recommendation to the City Manager's Office.

CONTRACT SERVICES POLICY

GENERAL POLICY GUIDELINES

Purpose: Contracting with the private sector, for the delivery of services, provides the City with a significant opportunity for cost containment and productivity increases. In some instances, the City uses private sector resources in delivering municipal services as a key element in the City's continuing efforts to provide cost-effective programs.

Types: The City uses private sector contracting for construction projects, professional services, outside employment agencies, and other ongoing operating and maintenance services.

Purchasing Policy: All contracts will be executed in accordance with the City's Council approved Purchasing Policy.

Evaluating Costs: Indirect, direct, and contract administration costs of the City are to be identified and considered when evaluating and comparing the costs of private sector contracts with in-house services.

Contract Change-Orders: When circumstances dictate that it is in the best interests of the City for cost-efficiency purposes to deliver a project or to provide unanticipated like services within current appropriation authority, contract change orders may be executed. Contract change orders, for like services, often take advantage of economies of scale, cost-effectiveness, or may be desirable when time is of the essence. Contract change-order funding must be available within the existing budgeted authority, supported by proper justification, and approved by the City Manager on a case-by-case basis.

Conversion to Contract Services: Programs and activities that are currently provided by City employees may be converted to contract services when attrition, reassignment, or absorption of City staff occurs. However, such conversion would not happen until the proper notification requirements are made to the affected employees.

Evaluation Criteria: The cost-effectiveness of using contract services to meet established service levels will be evaluated using the general policy guidelines stated above and on a case-by-case basis using the following criteria:

Available Vendors: Is there a sufficient private sector market that can competitively deliver the service and offer a reasonable choice of alternative service providers?

Contract Administration: Can the contract be effectively and efficiently administered by City staff?

Contract Provisions: Can the contract contain provisions to compensate the City for damages should the contractor fail to perform?

Staffing Levels: Can a private-sector contractor respond to expansions, contractions, or other special requirements of the service by rapidly adjusting staffing levels?

Scope of Work: Can the scope of work be sufficiently defined to ensure that competing proposals are fairly and fully evaluated, and can the contractor's performance be fairly evaluated after the bid award?

Service Levels: Does the use of contract services provide the City with an opportunity to redefine service levels?

Emergency Services: Will the contract limits the City's ability to deliver emergency or other high-priority services?

Accountability and Responsibility: Overall, can the City successfully delegate the performance of the service and still retain accountability and responsibility for the service delivery?

APPENDIX B: BUDGETARY ACCOUNTING

Budgetary accounting is a management tool to assist in controlling expenditures. Budgetary accounting is an important control tool because the annual budget is a legal compliance standard against which the operations of all funds are evaluated.

Budgetary accounts include appropriation, encumbrances, and estimated revenues. Appropriations are the authorizations granted by the City Council to make expenditures or incur obligations for specific programs. Appropriations are made by the specific program and fund type. Encumbrances reserve a portion of an appropriation representing a current fiscal year obligation that has not been paid, or commitments related to unperformed contracts for goods and services. Estimated revenues are the anticipated resources the City expects to receive from various funding sources throughout the fiscal year.

The City Council has the responsibility for the adoption of the City's budget, which is prepared by City staff. Budgets are adopted for all general, special revenue, and proprietary funds. The budget adopted by the City Council is for a two-year period, which consists of two one-year budgets. From the effective date of the budget, the amounts stated as proposed expenditures are reflected as appropriations or authorization for the various City departments to expend City resources. The City Council may amend the budget by motion at any time during the two years. At the end of the first budget year, a Mid-Year Budget Review will take place, with recommended budget amendments presented to the City Council for the second budget year. The City Manager may transfer funds from one major expenditure category to another within the same fund. Any revisions that alter the total fund balance must be approved by the City Council. Therefore, the level at which expenditures may not legally exceed appropriations is established at the fund level.

For the General Fund, the City Council establishes an appropriation limit according to Article XIIIB of the State Constitution. This appropriation limit is a spending limit for the proceeds of taxes to be spent. This limit is based on the prior year's limit, adjusted by the change in California Per Capita Income and by the change in the City's population.

Appropriations remaining at the end of the first year are eligible to be carried forward to the second year. All appropriations lapse at the end of the two years to the extent that the appropriations have not been expended or encumbered. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve that portion of applicable appropriations, is employed as an extension of formal budgetary integration in the governmental fund types. Lease contracts entered into by the City are subject to annual review by the City Council; hence, lease contracts are legally one-year contracts with an option for renewal for another fiscal year.

Generally, expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Governmental funds are used to account for the government's general governmental activities. Governmental fund types use the flow of current financial resources and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when revenues are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Revenues are recorded when received in cash, except for revenues subject to accrual (generally 60 days after fiscal year-end) are recognized when due. Property taxes, charges for services, and interest associated with the current fiscal period are all considered susceptible to accrual and as such have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available when received by the government.

Budget amounts, reported for governmental funds of the City are adopted on a basis consistent with the United States of America Generally Accepted Accounting Principles. Effective fiscal control for debt service funds is achieved through bond indenture provisions and other management controls. While budgets are prepared for City capital project funds, capital projects generally span more than one year and are effectively controlled at the project level. The City adopts legal budgets for the General Fund and all special revenue funds.

APPENDIX C: USE OF COST ACCOUNTING

Cost accounting is the process of tracking, recording, analyzing, and allocating costs associated with activities provided by the City, which benefits multiple funds and departments within the City. The City incurs direct and indirect costs through the provision of City services and programs. The City recovers the costs of City central administrative and support activities (central services) through the development and application of indirect cost rates. The City also uses Internal Service Funds to allocate costs for services such as Fleet Services, Business, Communication, and Telephone Equipment, and Insurance Services through rental rates.

A central services cost allocation plan identifies indirect costs incurred by the City to support and administer identified programs. Identifying the indirect cost of various programs is integral to determining the full cost of supporting these programs and is valuable when seeking reimbursement. The City's cost allocation plan has been prepared in compliance with generally accepted accounting principles (GAAP) as recognized by the Governmental Accounting Standards Board (GASB).

The City defines direct costs as those costs, which can be specifically or readily identified with a specific cost objective or program. Indirect costs are defined as those costs necessary for the effective and efficient operation of City programs, which cannot be readily identified to a specific cost objective or program without effort disproportionate to results achieved.

Incorporated within GAAP are three basic principles related to the allocation of central service support costs to operating departments, which have been adhered to in the preparation of the costs of the central services allocation plan. First, costs should be necessary and reasonable for the proper performance of a program. Second, costs should be charged or allocated to programs per relative benefits received. A program should only be charged for services it utilizes or benefits from, and should only be charged with benefits derived from the service. Third, costs should be accorded consistent treatment as either direct or indirect. A cost should not be charged to a program as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the program as indirect costs.

Central services cost allocation plans come in two varieties, a full cost allocation plan, and an Office of Management and Budget (OMB) A-87 cost allocation plan. The major difference between the OMB A-87 plan and the full cost allocation plan is the costs that are allowable under each variety. Since there are indirect costs, which the Federal government is not willing to pay for, the allowable costs under OMB A-87 guidelines are more limited than the full cost allocation plan.

The OMB A-87 cost allocation plan identifies the allowable indirect costs under the OMB A-87 guidelines and allocates them to various programs, funds, and departments. As a result, the OMB A-87 cost allocation plan determines the indirect costs associated with various forms of Federal or State funding. Many forms of funding require an OMB A-87 cost allocation plan when charging indirect costs to them.

The full cost allocation plan includes all indirect costs and is used for internal charging purposes. The full cost allocation plan can be used in the budgeting process by determining how much to charge non-General Fund activities for General Fund central services such as payroll, accounting, and the City Council. The full cost allocation plan is also very useful in determining and justifying the indirect cost associated with providing services for which a user fee is charged (e.g. planning fees).

Internal service funds are specifically designed to function as cost-reimbursement devices. Internal service funds are simply a mechanism to accumulate costs related to a particular activity on an accrual basis so that the costs can subsequently be allocated to the benefitting funds in the form of a fee. Accordingly, the City utilizes internal service funds to collect costs associated with maintenance and replacement of the City's fleet, business and communication equipment, and liability insurance and determine rental rates to be charged to the benefitting funds.

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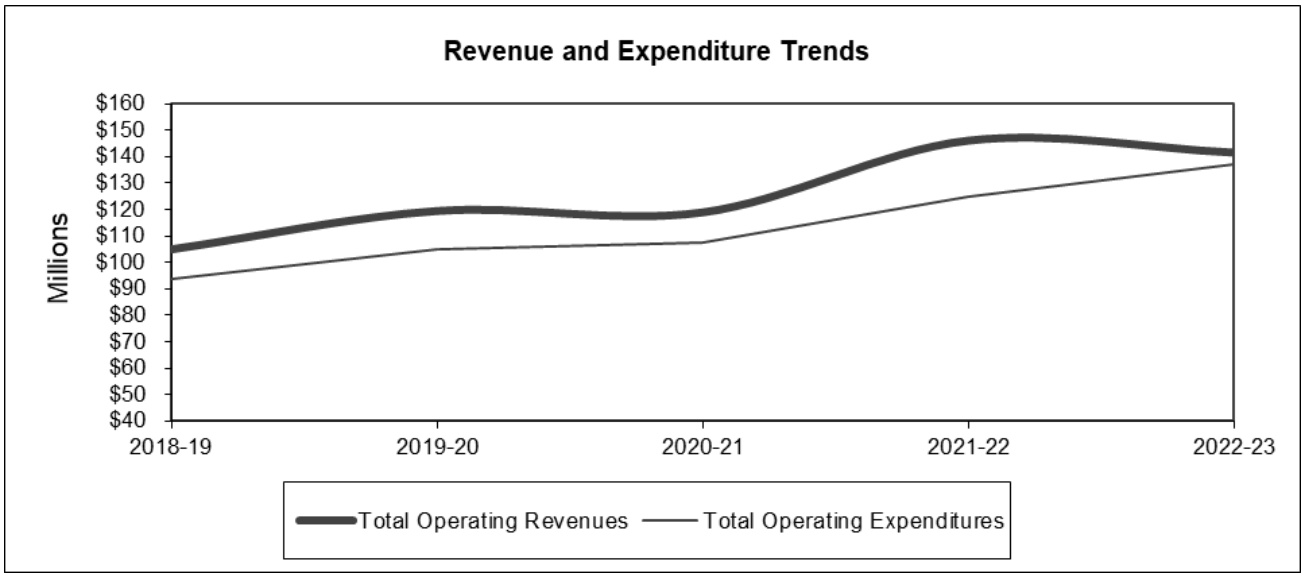
APPENDIX D: REVENUE AND EXPENDITURE TRENDS

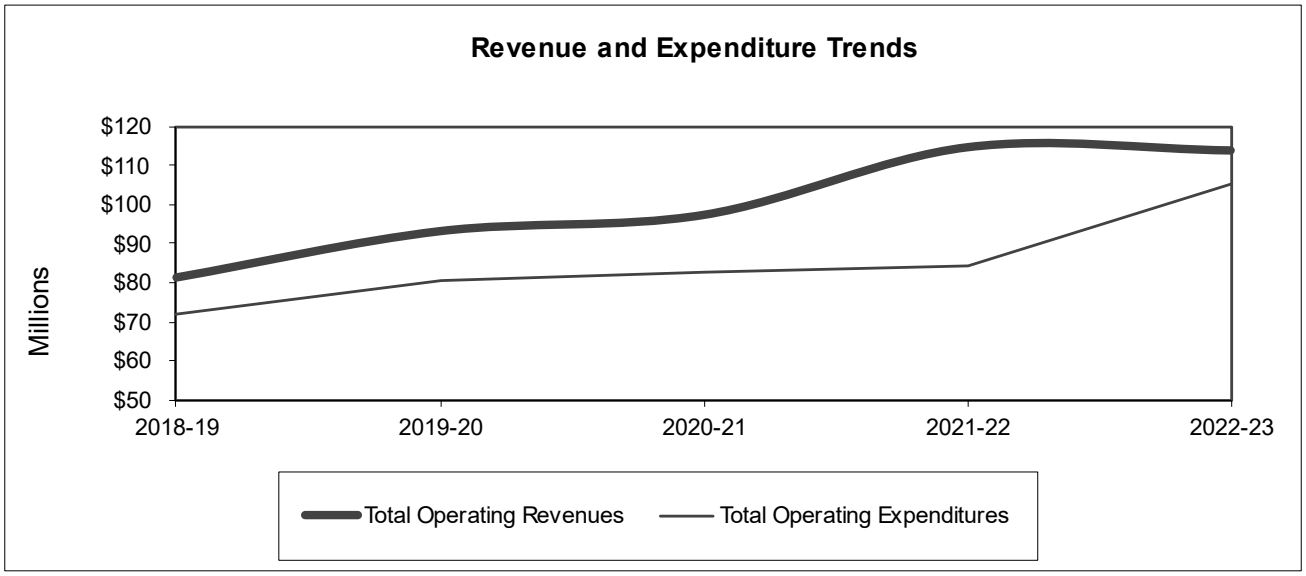
ALL GOVERNMENTAL FUNDS – LAST FIVE COMPLETED YEARS

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
OPERATING REVENUES					
Taxes					
Property	$ 19,902,369	$ 21,003,723	$ 21,940,976	$ 23,016,677	$ 24,952,400
Sales & Use	33,975,627	34,155,377	38,270,753	43,594,090	44,846,152
Measure U Transaction & Use Tax	8,450,338	19,363,970	22,682,383	25,934,795	26,461,516
Transient Occupancy	3,445,935	2,949,707	3,213,990	4,304,874	4,478,613
Business Licenses	646,155	636,097	653,965	724,248	737,222
Franchise Fees	4,703,992	4,660,913	4,683,115	4,835,786	4,806,640
Other Taxes	4,205,765	4,219,184	4,470,034	4,688,422	4,934,435
Supplemental Tax	198,246	214,162	352,611	392,921	301,082
Total Taxes	**$ 75,528,427**	**$ 87,203,133**	**$ 96,267,827**	**$ 107,491,813**	**$ 111,518,060**
Permits, Fines & Forfeitures	2,997,887	3,657,177	3,746,343	4,905,682	4,555,661
Revenues from Use of Money/Property	6,166,372	7,504,139	457,680	(7,555,594)	1,970,274
Aid from Governmental Agencies	5,583,936	9,212,089	7,851,850	29,935,374	13,915,687
Charges for Current Services	14,456,599	11,428,621	9,922,432	10,423,478	9,170,135
Contributions	-	-	-	-	-
Other Revenues	405,477	639,335	853,036	984,964	553,102
TOTAL OPERATING REVENUES	**$ 105,138,698**	**$ 119,644,494**	**$ 119,099,168**	**$ 146,185,717**	**$ 141,682,919**
OPERATING EXPENDITURES					
Current:					
Public Safety	$ 46,243,960	$ 52,131,460	$ 54,944,370	$ 56,372,698	$ 65,034,869
Public Works	6,112,530	6,202,698	6,654,110	7,088,414	10,113,246
Community Development	4,625,042	5,372,507	5,363,165	4,615,268	6,833,770
Recreation and Parks	13,059,635	13,883,875	14,304,970	16,614,086	19,494,294
Library	3,164,323	3,599,399	3,208,809	3,870,991	4,082,505
Non-Dept (PERS Side Fund)	-	-	-	-	-
General Government	9,427,494	10,807,709	11,852,048	25,764,929	17,071,322
Capital Outlay	10,681,501	12,643,284	11,010,027	9,928,385	14,004,126
Debt Service					
Principal	203,930	210,301	216,871	285,547	316,336
Interest and Other Expense	72,136	63,386	54,387	51,979	43,224
TOTAL OPERATING EXPENDITURES	**$ 93,590,551**	**$ 104,914,619**	**$ 107,608,757**	**$ 124,592,297**	**$ 136,993,692**



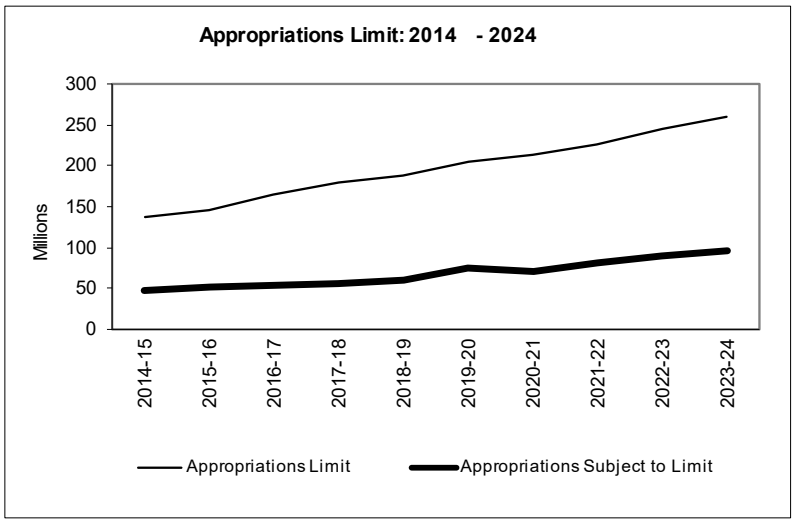
GENERAL & MEASURE U FUNDS – LAST FIVE COMPLETED YEARS

	Actual FY 2021-22	Actual FY 2022-23	Adopted FY 2023-24	Adopted FY 2024-25	Adopted FY 2025-26
OPERATING REVENUES					
Taxes					
Property	$ 19,902,369	$ 21,003,723	$ 22,067,754	$ 22,981,342	$ 24,699,648
Sales & Use	23,987,254	23,669,145	27,389,312	31,219,602	31,867,156
Measure U Transaction & Use Tax	8,450,338	19,363,970	22,682,383	25,934,795	26,461,516
Transient Occupancy	3,445,935	2,949,707	3,213,990	4,304,874	4,478,613
Business Licenses	646,006	636,097	659,965	724,248	744,302
Franchise Fees	4,703,992	4,660,913	4,683,115	4,835,786	4,806,640
Other Taxes	198,246	214,162	225,833	428,256	553,834
Supplemental Tax	308,049	252,487	352,611	392,921	301,082
Total Taxes	**$ 61,642,189**	**$ 72,750,204**	**$ 81,274,963**	**$ 90,821,824**	**$ 93,912,791**
Permits, Fines & Forfeitures	2,485,948	3,227,018	3,374,512	4,621,029	4,211,829
Revenues from Use of Money/Property	4,027,140	4,713,977	217,498	(4,714,583)	461,487
Aid from Governmental Agencies	700,564	1,250,289	1,521,228	11,390,811	1,393,428
Charges for Current Services	6,379,096	5,249,519	5,897,013	7,630,352	6,953,692
Contributions	6,160,082	6,114,318	5,196,504	5,130,087	7,135,559
TOTAL OPERATING REVENUES	**$ 91,395,019**	**$ 93,305,325**	**$ 97,481,718**	**$ 114,879,520**	**$ 114,068,786**
OPERATING EXPENDITURES					
Current:					
Public Safety	$ 41,706,502	$ 39,661,916	$ 39,280,585	$ 40,975,159	$ 43,959,625
Public Works	2,745,100	2,954,948	2,913,642	3,270,457	3,724,605
Community Development	3,790,723	3,702,069	3,944,037	4,033,288	5,573,366
Recreation and Parks	9,678,731	8,996,486	8,703,403	9,606,016	10,906,759
General Government	8,133,095	8,518,851	9,890,797	5,990,635	12,598,522
Measure U	4,726,259	15,263,824	17,007,464	19,551,048	27,156,825
Capital Outlay	1,230,757	1,474,059	1,185,154	1,022,029	1,370,089
TOTAL OPERATING EXPENDITURES	**$ 72,011,167**	**$ 80,572,153**	**$ 82,925,082**	**$ 84,448,632**	**$ 105,289,791**



APPENDIX E: APPROPRIATION LIMIT HISTORY

The Gann spending limit initiative, which was adopted by the voters on June 6, 1979, creates a restriction on the amount of revenue, from tax proceeds, that can be appropriated in any fiscal year. Under the provisions of this initiative, a city may not appropriate any proceeds of taxes in excess of its "appropriations limit." If excess funds are received in any one year, the excess funds may be carried over into the subsequent year. Any excess funds remaining after the second year must be returned to the taxpayers by reducing tax rates or fees. As an alternative, a majority of the voters may approve an override to increase the limit.



The chart is a summary of the changes, over the past ten years, in the City's appropriations limit and appropriations subject to the limit. This summary reflects modifications approved by Proposition 111 in June 1990, which changed the methodology for determining the appropriations limit, as well as the appropriations subject to the limit. In general, the City's appropriations limit can increase annually by compound changes in cost-of-living and population.

The amount titled "Appropriations Subject to Limit" should always be less than the amount in the "Appropriations Limit" column.

The appropriation limit has no significant implication in the City's budgeting, nor will it in the foreseeable future, based on current trend analysis. The City's actual budget subject to limitation has been running at more than 50 percent lower than the appropriation limit for the past ten years. Based on the current calculation, the City's actual budget in 2021-22 subject to limitation was $80,199,160 which is about 64 percent lower than the City's limit.

Fiscal Year	Limit Base	Inflation Factor	Population Factor	Appropriations Limit	Appropriations Subject to Limit	Variance
2014-15	134,054,830	-0.23%	2.54%	137,138,091	46,545,755	90,592,336
2015-16	137,138,091	3.82%	2.33%	145,640,653	50,468,676	95,171,977
2016-17	145,640,653	10.87%	1.41%	163,743,786	52,686,063	111,057,723
2017-18	163,743,786	7.43%	1.64%	178,791,840	54,724,484	124,067,356
2018-19	178,791,840	3.67%	0.86%	186,944,748	58,924,068	128,020,680
2019-20	186,944,748	8.52%	0.67%	204,237,137	74,002,962	130,234,175
2020-21	204,237,137	3.74%	0.41%	212,753,826	71,037,245	141,716,581
2021-22	212,753,826	5.73%	0.22%	225,433,954	80,199,160	145,234,794
2022-23	225,433,954	8.24%	0.14%	244,347,863	90,199,735	154,148,128
2023-24	244,347,863	6.26%	0.99%	259,301,952	95,384,843	163,917,109

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APPENDIX F: LIST OF FUNDS

Number	Name	Type
001	General	General
002	Water	Enterprise
003	Solid Waste Collection	Enterprise
004	Wastewater	Enterprise
007	Mobile Equipment	Internal Service
009	Library	Special Revenue
010	Solid Waste Disposal	Enterprise
011	Measure U	General
013	Traffic Safety	Special Revenue
015	Orcutt Drainage	Special Revenue
016	Quimby Park and Acquisition Development Fees	Special Revenue
017	Inger Basin Drainage	Special Revenue
018	Blosser Road Drainage	Special Revenue
019	Battles Road Drainage	Special Revenue
021	Business Equipment	Internal Service
022	Communications Equipment	Internal Service
023	Radio/Technology	Enterprise
027	Growth Mitigation	Special Revenue
028	Residential Development Tax	Special Revenue
031	Northwest Landscape District	Special Revenue
032	Northeast Landscape District	Special Revenue
033	Southwest Landscape District	Special Revenue
036	Stowell Parking and Lighting	Special Revenue
038	Southeast Landscape District	Special Revenue
039	Crossroads Special District	Special Revenue
040	Business Attraction Loan	Special Revenue
041	Payroll	General
043	Police - Donations/Grants	Special Revenue
046	Federal/State Asset Forfeiture	Special Revenue
047	Grant Non-Recurring	Special Revenue
063	Gas Tax and Transportation Development Act	Special Revenue
064	Developer / Grant Street Projects	Special Revenue
066	Public Transit	Enterprise
067	Breeze	Enterprise
068	Measure A	Special Revenue
070	Liability and Multi-Peril Insurance	Internal Service
072	Unemployment Insurance	Internal Service
073	Self-Insurance Workers' Compensation	Internal Service
076	Local Economic Augmentation	Internal Service
078	Telephone	Internal Service
081	Treasurer's Trust	Fiduciary
083	Landfill Closure/Postclosure	Fiduciary
085	Maintenance Annuity	General
087	Twitchell Management Authority Trust	Fiduciary

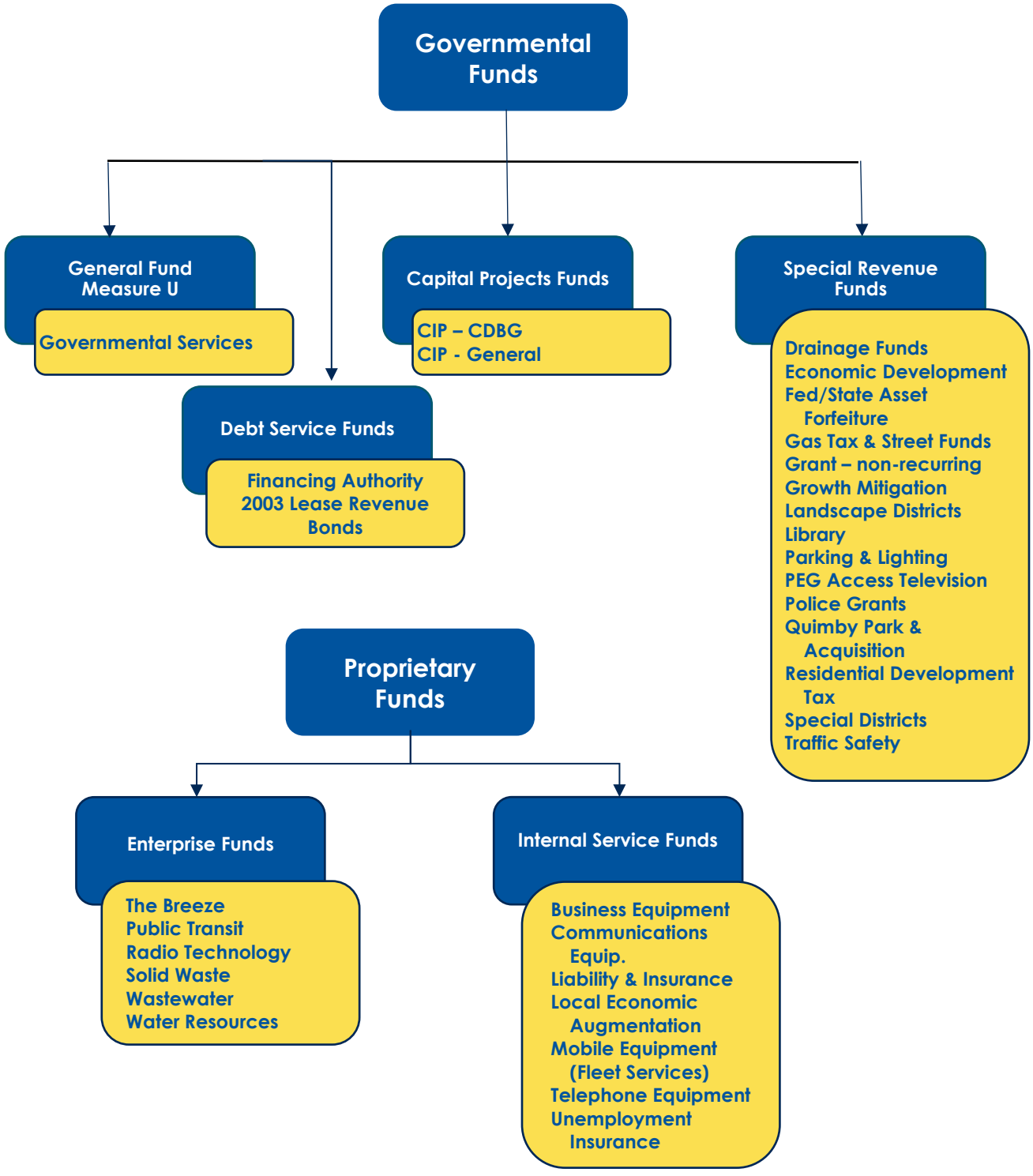
Number	Name	Type
801	Capital Projects – General	Capital Projects
948	Capital Projects - Community Development	Capital Projects
974	Santa Maria Public Financing Authority	Debt Service
998	Public, Education, and Government Access Television	Special Revenue

APPENDIX G: DESCRIPTION OF FUNDS

A LOOK AT THE BUDGET BY FUND

The City of Santa Maria's (City) budget is made up of numerous funds. A fund is a separate accounting entity with a self-balancing set of accounts created to track specific revenue and expense activity.

All of the City's funds are classified into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Agency Funds. Each category, in turn, is divided into separate "fund types". Below is a graphical depiction of the budget fund structure:



GOVERNMENTAL FUNDS

GENERAL FUND - 001
The General Fund is the City's primary fund and accounts for all revenues and expenditures applicable to the general operations of the city government, which are not properly accounted for in another fund. These are activities and services traditionally associated with governments, such as police and fire, recreation and parks, and a city administration that is financed primarily through tax-generated revenues.

MEASURE U FUND - 011
The Measure U Fund accounts for local transactions and use tax within the City of Santa Maria. City voters initially approved Measure U in the June 2012 election, enacting a one-quarter-cent general transactions and use tax. More recently, City voters in the November 2018 election extended and enhanced Measure U at the one-cent rate, to support essential City services. This general-purpose tax is used primarily to fund services such as police and fire, recreation and parks, library, and code enforcement. The Measure U Fund is combined with the General Fund for financial reporting purposes.

PAYROLL FUND - 041
The Measure U Fund accounts for local transactions and use tax within the City of Santa Maria. City voters initially approved Measure U in the June 2012 election, enacting a one-quarter-cent general transactions and use tax. More recently, City voters in the November 2018 election extended and enhanced Measure U at the one-cent rate, to support essential City services. This general-purpose tax is used primarily to fund services such as police and fire, recreation and parks, library, and code enforcement. The Measure U Fund is combined with the General Fund for financial reporting purposes.

POLICE – DONATIONS/GRANTS FUND - 043
The Police – Donations/Grants Fund accounts for donations from the public and businesses and grant money to the Police Department for specific purposes, such as the K-9 (police dog) Program, supplies for the honor guard, and the Drug Abuse and Resistance Education (DARE) Program. The Police – Donations/Grants Fund is combined with the General Fund for reporting purposes and no budget is established for this fund.

MAINTENANCE ANNUITY FUND - 085
The Maintenance Annuity Fund accounts for developer deposits on the newly annexed property. Developments earn interest income and this interest income helps subsidize property tax revenue to pay for City services. The disposition of the Fund shall be determined by City Council in the year 2030.

DEBT SERVICE FUNDS

SANTA MARIA PUBLIC FINANCING AUTHORITY FUND - 974
The Santa Maria Public Financing Authority Fund represents the City's debt requirements for the Public Financing Authority.

SPECIAL REVENUE FUNDS

LIBRARY FUND - 009
The Library Fund accounts for resources used to provide public library services to northern Santa Barbara County residents in the communities of Santa Maria, Cuyama, Guadalupe, Orcutt, and Los Alamos. All activities necessary to provide the library operations at the Main Library and branch libraries are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and acquisition of materials for the collections. Separate divisions within this fund track costs for the individual branch libraries.

TRAFFIC SAFETY FUND - 013
The Traffic Safety Fund accounts for all fines and penalties received as a result of arrests, by City police officers, for Vehicle Code violations. This fund is used for traffic control devices, maintenance of equipment and supplies for traffic law enforcement, and traffic accident prevention.

ORCUTT BASIN DRAINAGE FUND - 015
The Orcutt Basin Drainage Fund accounts for resources used to provide drainage around the Orcutt Basin.

QUIMBY PARK AND ACQUISITION DEVELOPMENT FEES FUND - 016
The Quimby Park and Acquisition Development Fees Fund account for revenues collected from developments to provide the community's basic recreation and park needs. The Quimby Act, first established in 1965 by the California Legislature, allows local agencies, such as the City, to establish ordinances requiring residential subdivision developers to provide impact fees for land and/or recreational facilities. Currently, this fund is collected under the authority of the City's Growth Mitigation Fee Program – Park Development.

INGER BASIN DRAINAGE FUND - 017
The Inger Basin Drainage Fund accounts for resources used to provide drainage around the Inger Basin.

BLOSSER ROAD DRAINAGE FUND - 018
The Blosser Road Drainage Fund accounts for resources used to provide drainage along Blosser Road.

BATTLES ROAD DRAINAGE FUND - 019
The Battles Road Drainage Fund accounts for resources used to provide drainage along Battles Road.

GROWTH MITIGATION FUND - 027
The Growth Mitigation Fund accounts for the receipt of developer fees as approved under the State of California Assembly Bill (AB) 1600. AB 1600 allows public agencies to charge developers for the incremental cost of services required by the new development. The use of AB 1600 fees and the need for public improvement must be related to the development. The City's AB 1600 fees are "growth mitigation fees," and are to pay for traffic, recreation and parks facilities, public safety facilities, library facilities, and water/wastewater infrastructure.

RESIDENTIAL DEVELOPMENT TAX FUND - 028
The Residential Development Tax Fund accounts for the acquisition, improvement, and expansion of public parks, playgrounds, or recreation facilities thereon. An amount equal to this tax is collected through the City's Growth Mitigation Fee Program.

NORTHWEST LANDSCAPE DISTRICT FUND - 031
The Northwest Landscape District Fund accounts for property tax revenues that are restricted to providing landscaping-related services in public easements in the northwest section of the City. Costs accounted for in this fund include administration, operations, maintenance, renovation, materials, and equipment.

NORTHEAST LANDSCAPE DISTRICT FUND - 032
The Northeast Landscape District Fund accounts for property tax revenues that are restricted to providing landscaping-related services in public easements in the northeast section of the City. Costs accounted for in this fund include administration, operations, maintenance, renovation, materials, and equipment.

SOUTHWEST LANDSCAPE DISTRICT FUND - 033
The Southwest Landscape District Fund accounts for property tax revenues that are restricted to providing landscaping-related services in public easements in the southwest section of the City,

including the Betteravia Plaza Special Benefit Zone. Costs accounted for in this fund include administration, operations, maintenance, renovation, materials, and equipment.

STOWELL PARKING AND LIGHTING FUND - 036

The Stowell Parking and Lighting Fund is used to account for property tax revenues that are restricted to providing lighting and landscaping services to the Stowell Plaza Shopping Center. The Stowell Parking and Lighting Maintenance District was formed in 1961 for parking lot and landscaping maintenance of the Stowell Plaza Shopping Center. The maintenance work is performed by an independent contractor, with the City's Recreation and Parks Department monitoring the contract and maintenance work. Stowell Plaza Shopping Center's property owners pay an ad valorem tax.

SOUTHEAST LANDSCAPE DISTRICT FUND - 038

The Southeast Landscape District Fund accounts for property tax revenues that are restricted to providing landscaping-related services in public easements in the southeast section of the City, including the Crossroads Special Benefit Zone and the Enos Ranch Special Benefit Zone. Costs accounted for in this fund include administration, operations, maintenance, renovation, materials, and equipment.

ECONOMIC DEVELOPMENT FUND - 040

The Economic Development Fund is used to account for an economic development revolving loan program aimed at attracting new businesses and expanding and retaining existing businesses in the community.

SUPPLEMENTAL LAW ENFORCEMENT SERVICE – CITIZENS OPTION FOR PUBLIC SAFETY (COPS) FUND - 045

The Supplemental Law Enforcement Service – COPS Fund accounts for the State of California's COPS grant fund revenue that is restricted to support front-line law enforcement services with an emphasis on supporting salary and benefits. The City uses this revenue to match a Federal grant to pay for three police officers.

GRANT NON-RECURRING FUND – 047

The Grant Non-Recurring Fund tracks revenues, expenditures, and matching fund requirements for non-recurring grants awarded to the City that do not "fit" within other grant or enterprise funds.

FEDERAL/STATE ASSET FORFEITURE FUND - 046

The Federal/State Asset Forfeiture Fund accounts for all funds received through State and Federal agencies for drug seizures in which the City participates. These funds must be used to supplement, not supplant, the Police Department's normal operating budget. The amount of revenue varies from year-to-year based on activity levels.

GAS TAX AND TRANSPORTATION DEVELOPMENT ACT FUND - 063

The Gas Tax and Transportation Development Act Fund is used to account for the City's share of State and Santa Barbara County gasoline tax collected following the provisions of the State's Streets and Highway Code. Revenues are disbursed by the State based on population and used toward the maintenance and repair of City streets that serve as State and County thoroughfares. This fund is used for preventative annual maintenance of streets and appurtenant facilities and the construction of new public infrastructure within public rights-of-way. It is used for administrative, operational, materials, equipment, and labor costs for the construction of public infrastructure.
Examples of public infrastructure built with gas tax funds include street maintenance, street lighting, concrete repair, and roadway operational improvements.

DEVELOPER / GRANT STREET PROJECTS - FUND - 064

The Developer / Grant Street Projects – Fund is supported by specific street type grants and contributions by developers for the construction of streets and appurtenant facilities. Administrative, materials, equipment, and labor costs associated with street-related projects funded by sources other than gas tax or sales tax revenues are paid from this fund. Examples of public infrastructure built with

developer and grant funds include roadway extensions, new bikeways, roadway operational improvements, and roadway safety enhancements.

MEASURE A - 068

Measure A was passed by the voters of Santa Barbara County in November 2008. This extends, for 30 years, the existing half-cent sales tax used to fund local transportation projects that have been in place since the approval of Measure D in 1989. Measure A Fund is used for various City streets and rights-of-way capital projects and administrative, operational, materials, equipment, and labor costs of street-related infrastructure. Measure A also requires that the City dedicate 15 percent of Measure A local funds toward alternative transportation expenditures such as bicycle and pedestrian facilities.

PUBLIC, EDUCATION, AND GOVERNMENT ACCESS TELEVISION FUND - 998

The Public Education and Government Television Fund accounts for annual grant proceeds from the City's cable television provider, Comcast Cablevision, used for the operation of public, education, and government public access television. The grant runs the term of the State's franchise agreement with Comcast Cablevision for this region. The grant provides for the capital costs of the public, education, and government public access television.

CAPITAL PROJECT FUNDS

CAPITAL PROJECTS – GENERAL FUND - 801

The Capital Projects – General Fund is used to account for the purchase and construction of capital assets for the General Fund. Appropriations are made annually from the fund.

CAPITAL PROJECTS – COMMUNITY DEVELOPMENT FUND - 948

The Capital Project – Community Development Fund accounts for receipts from the Federal Community Development Block Grant Funds for special projects in the City.
workers' compensation insurance costs, and radio technology.

ENTERPRISE FUNDS

WATER FUND - 002

The Water Fund accounts for all resources used to provide water service to the City, including but not limited to, administration, operations, maintenance, capital acquisition and construction, debt service on the State Water Project, utility billing operations, water distribution costs, and other water-related operations.

OLID WASTE COLLECTION FUND - 003

The Solid Waste Collection Fund accounts for all resources used for residential, commercial, agricultural, industrial solid waste collections, and recycling operations including, but not limited to, administration, maintenance, and capital acquisition.

WASTEWATER FUND - 004

The Wastewater Fund accounts for all resources used to provide sewer service to residents and businesses within the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, capital acquisition and construction, and the billing and collection of fees associated with sewer-related services.

SOLID WASTE DISPOSAL FUND - 010

The Solid Waste Disposal Fund accounts for all resources used to provide solid waste disposal for residential, commercial, agricultural, and industrial users. This fund also supports the household hazardous waste collection operation at the City's landfill.

RADIO/TECHNOLOGY FUND – 023
The Radio/Technology Fund accounts, and houses in one location, the cost and anticipated revenues associated with the City's 700 MHz trunked radio communication system, and other technology-related equipment that can be utilized by partnering with other municipalities and school districts.

PUBLIC TRANSIT FUND - 066
The Public Transit Fund accounts for all resources, including State and Federal funds, used to provide a regional public transportation service known as Santa Maria Regional Transit. All activities necessary to provide such transit-related services are accounted for in this fund, including, but not limited to, administration, operations, fixed-route and paratransit, facilities, maintenance, and capital acquisition and construction.

BREEZE FUND - 067
The Breeze Fund accounts for all resources, including State and Federal funds, used to provide Breeze public transit service between Santa Maria and Lompoc, and Santa Maria, Buellton, and Solvang. All activities necessary to provide Breeze services are accounted for in this fund, including, but not limited to, administration, operations, fixed-route, facilities, maintenance, and capital acquisition and construction.

LANDFILL CLOSURE/POST-CLOSURE FUND - 083
The Landfill Closure/Post-Closure Fund accounts for the money necessary to close the City's 247-acre landfill. The City is required by State and Federal laws and regulations to assure that the City will complete the closure and post-closure requirements of its landfill site. The City is required to report a portion of closure and post-closure costs as an operating expense. The operation of the landfill requires that the rolling closure of the landfill (closure in phases) continue on an annual basis.

LANDFILL CLOSURE/CORRECTIVE ACTION FUND – 088
The Landfill Closure/Corrective Action Fund is used for the closure/post-closure corrective action for the Santa Maria Integrated Waste Management Facility (SMIWMF) at Los Flores Ranch, and fund operational and reporting requirements per CalRecycle.Header 1

INTERNAL SERVICE FUNDS

MOBILE EQUIPMENT FUND - 007
The Mobile Equipment Fund is used to finance and account for the maintenance and replacement of mobile equipment and rolling stock used by various City departments.

BUSINESS EQUIPMENT FUND - 021
The Business Equipment Fund is used to finance and account for the maintenance and replacement of business equipment used by various City departments.

COMMUNICATION EQUIPMENT FUND - 022
The Communication Equipment Fund is used to finance and account for the maintenance and replacement of city-wide communication systems including the public safety dispatch system.

LIABILITY AND MULTI-PERIL INSURANCE FUND - 070
The Liability and Multi-Peril Insurance Fund accounts for finances relating to commercial insurance, bonds, self-insurance, and excess liability insurance. This fund includes costs for administration and liability claims expenses and costs associated with the Employee Assistance Program and Loss Control Services (employee training).

UNEMPLOYMENT INSURANCE FUND - 072
The Unemployment Insurance Fund monitors unemployment costs associated with City personnel.

SELF-INSURANCE WORKERS' COMPENSATION FUND - 073

The Self Insurance Workers' Compensation Fund accounts for the expenses of worker's compensation claims, the claims administration, and any excess workers' compensation insurance on a citywide basis. The City began self-insuring the workers' compensation program in 2004-05 while still retaining a catastrophic excess policy.

LOCAL ECONOMIC AUGMENTATION FUND (LEAF) FUND - 076

The Local Economic Augmentation Fund is a reserve fund established in 2000-01 to be used as the primary financing mechanism to address any potential revenue shortfalls during times of economic downturns or severe State action, so as not to significantly impact the operating budget and service levels of the General Fund. The City Council set aside General Fund proceeds into this account. The intent of this fund is to be used as a "gap financing" mechanism during downturns in the local economy.

TELEPHONE FUND - 078

The Telephone Fund accounts for all citywide expenses associated with telephone hardware. The City tracks equipment used by each department and departments are charged for equipment replacement.

FIDUCIARY AGENCY FUNDS

TREASURER'S TRUST FUND - 081

The Treasurer's Trust Fund accounts for the receipt and disposition of deposits held for others, such as developers posting funds until the developer fulfills conditions of development.

TWITCHELL MANAGEMENT AUTHORITY TRUST - 087

The Twitchell Management Authority Trust Fund is a court-mandated committee formed to administer relevant provisions of a stipulation water agreement regarding the groundwater basin in the Santa Maria Valley Management Area.

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APPENDIX H: LIST OF EXPENDITURE CATEGORIES

10 – SALARIES

11 - Regular	Full-time employees.
12 - Part-time	Part-time employees who work up to 32 hours per week in a budgeted position or limited-service employees who work up to 19 hours per week (shown in full-time equivalency - FTE).
13 - Overtime	Covers non-scheduled work hours more than 40 hours per week (excluding fire shift personnel who earn overtime for working in excess of 56 hours per workweek).
14 - Leave Cash Outs	Payment of vacation, floating holiday, and compensatory time cashed out in accordance with memoranda of understanding and labor laws.

16 - FRINGE BENEFITS

16.1 - Retirement	Contributions to either the Public Employees' Retirement System (CalPERS) or the Public Agency Retirement System (PARS) for all full-time and part-time employees. The rate of contribution is set annually by CalPERS based upon an actuarial study; the PARS contribution is 7.50 percent of covered compensation made by the employee. Employees hired after 1986 are required to pay Medicare tax of 1.45 percent. Contributions also include deferred compensation and costs associated with other post-employment benefits.
16.2 - Group Insurance	City contributions toward employee health, dental, vision, and life insurance, and workers' compensation and post-employment health plans.

20 - MATERIALS & SUPPLIES

21 - Utilities – Gas	Cost associated with natural gas used and/or consumed in general operations.
22 - Utilities – Electricity	Cost associated with electrical consumption used in general operations.
23 - Utilities – Telephone	Charges for telephone service, message unit charges, long-distance telephone calls, faxes, pagers, and cellular telephone services.
24 - Office Supplies & Materials	Charges for articles used during office work. Such articles may be consumed in the course of normal use, have a short life, or be of nominal value, such as pens, pencils, paper clips, stationery, postage, small furniture, and fixture items.
25 - Special Departmental Supplies	Charges for miscellaneous items used and/or consumed in normal work operations and not attributed to any other account.
26 - Utilities – Water	Charges for water, sewer, or refuse services.

27 - Reprographics	Costs related to services, photocopies, printing and/or binding City publications, special reports, and annual reports.

30 - EQUIPMENT MAINTENANCE & OPERATIONS

31 - Rental – Fleet Services	Internal charges associated with fleet vehicles and equipment. A portion of these charges is required to fund future equipment replacement. Also included is vehicle rental from outside agencies.
32 - Maintenance Agreements	Charges related to service agreements for the maintenance and repair of City-owned equipment.
33 - Other Maintenance & Operations	Charges for miscellaneous equipment used in normal work operations and not attributed to any other account for work performed in the areas of electrical, heating, air conditioning, plumbing, landscaping, minor construction, and automotive.
34 - Rental – Business Equipment	Interfund charges associated with the use of business and/or office equipment used in normal work operations. These charges are required to fund future equipment replacement.
35 - Automotive Reimbursement	Charges for auto allowance and mileage reimbursement.
36 - Rental – Communication	Interfund charges associated with the use of communications equipment used in normal work operations. These charges are required to fund future equipment replacement.
37 - Non-Structural Maintenance	Charges for work performed by City staff to existing facilities.

40 - CONTRACTS & SERVICES

41 - Advertising & Publication	Costs associated with advertising, placing ads in publications, or posting notices in newspapers, professional journals, and brochures.
42 - Promotion & Publicity	Costs associated with promoting City events and/or services.
43 - Contractual & Professional Services	Charges for professional services of a technical or specialized nature, such as appraisers, planners, auditors, data processing, and consultants retained on a per-diem or per-job basis.
44 - Rentals	Charges resulting from the rental or leasing of property or equipment.
45 - Insurance & Surety Bonds	Cost of services related to the City's liability insurance program, either directly or through a joint powers authority.

46 - Business Expense & Training	Charges for approved travel and conference expenditures related to training, seminars, and other educational activities that aid City employees in performing their duties.
47 - Memberships, Dues & Manuals	Charges for memberships and dues in recognized professional organizations. Also includes subscriptions to magazines, periodicals, directories, and technical publications that assist City officials in the performance of prescribed duties.
48 - Professional & Central Services	Charges for indirect costs associated with grants and other non-General Fund programs.
49 - Reimbursement Programs	Charges related to programs that will be reimbursed to the City.

50 - CAPITAL OUTLAY

51 - Land	Costs associated with the acquisition of real property.
52 - Structures & Improvements	Costs associated with the improvement or modification of facilities.
53 - Equipment	Capital items costing $5,000 or more, with an expected useful life of one year or more.
55 - Special Payments	Annual payments made to such organizations as the Chamber of Commerce, Museum of Flight, Economic Development Association, and Historical Society. Also includes costs associated with extraordinary litigation claims.
56 – State Water	Annual and quarterly purchases of State Water from the Central Coast Water Authority.

60 - DEBT REDEMPTION AND FUND TRANSFERS

61 - Retirement of Principal	Amounts repaid on principal balance of borrowed funds.
62 - Interest Expenses	Cost of money borrowed for short or long periods.
63 - Bond Issue Expenses	Costs related to financing issues of bonds, notes, etc.
66 - Fund Transfers	Transactions recorded to report operating and capital costs incurred by one fund for the benefit of another fund.

70 – RESERVES

71 - Appropriated Reserve	The segregation of the portion of fund balance reserved for encumbrances outstanding at year-end which would result in subsequent year expenditures.

72 - Emergency Reserve	Reserve created for the purpose of providing for economic uncertainty.
73 - Capital Outlay Reserve	Reserve created for the purchase of land, structures, and improvements.
74 - Fixed Asset Replacement Reserve	Provision is made for the costs of deterioration of fixed assets over the life of the assets.

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APPENDIX I: SCHEMATIC LIST OF CLASSES

City of Santa Maria
Schematic Full-Time Bi-Weekly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H
ACCOUNT CLERK - SCALE HOUSE	g	1,792.84	1,882.48	1,976.60	2,075.43	2,179.20			
ACCOUNT CLERK I	g	1,749.07	1,836.52	1,928.35	2,024.77	2,126.01			
ACCOUNT CLERK II	g	1,934.36	2,031.08	2,132.63	2,239.26	2,351.22			
ACCOUNTING TECHNICIAN I	g	2,124.16	2,230.37	2,341.89	2,458.98	2,581.93			
ACCOUNTING TECHNICIAN II	g	2,342.40	2,459.52	2,582.50	2,711.63	2,847.21			
ACCOUNTING TECHNICIAN III	g	2,459.51	2,582.49	2,711.61	2,847.19	2,989.55			
ADMINISTRATIVE ASSISTANT	g	2,331.53	2,448.11	2,570.52	2,699.05	2,834.00			
ADMINISTRATIVE LEADER	m	3,458.64	3,614.28	3,776.92	3,946.88	4,124.49	4,310.09	4,504.04	4,706.72
ARFF SPECIALIST I	f	2,660.59	2,793.62	2,933.30	3,079.97	3,233.97			
ARFF SPECIALIST II	f	2,926.60	3,072.93	3,226.58	3,387.91	3,557.31			
ASSISTANT CITY ATTORNEY (Org Leader Broadband - Non Safety)	m	6,209.15	-	-	-	10,348.58			
ASSISTANT CITY MANAGER (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
ASSISTANT PLANNER	g	2,386.39	2,505.71	2,631.00	2,762.55	2,900.68			
ASSISTANT TO THE CITY MANAGER	m	4,472.45	4,696.07	4,930.87	5,177.41	5,436.28			
ASSOCIATE PLANNER	g	3,010.89	3,161.43	3,319.50	3,485.48	3,659.75			
ASST DIR OF RECREATION & PARKS (Org Leader Broadband - Non Safety)	m	6,209.15	-	-	-	10,348.58			
AUTOMOTIVE SERVICE WRITER	g	2,533.34	2,660.01	2,793.01	2,932.66	3,079.29			
BUILDING DIVISION MANAGER	m	4,867.99	5,111.39	5,366.96	5,635.31	5,917.08			
BUILDING INSPECTOR I	g	2,517.25	2,643.11	2,775.27	2,914.03	3,059.73			
BUILDING INSPECTOR II	g	2,775.92	2,914.72	3,060.46	3,213.48	3,374.15			
BUILDING PERMIT TECHNICIAN I	g	2,156.35	2,264.17	2,377.38	2,496.25	2,621.06			
BUILDING PERMIT TECHNICIAN II	g	2,386.65	2,505.98	2,631.28	2,762.84	2,900.98			
BUSINESS LEADER	m	4,918.53	5,139.86	5,371.16	5,612.86	5,865.44	6,129.38	6,405.21	6,693.44
BUSINESS PROGRAM LEADER (Broadband)	m	3,458.64	-	-	-	6,295.25			
BUSINESS SYSTEMS ANALYST	m	3,843.08	4,035.23	4,236.99	4,448.84	4,671.28			
CAD TECHNICIAN	g	2,643.52	2,775.70	2,914.49	3,060.21	3,213.22			
CHIEF BUILDING INSPECTOR	g	3,059.46	3,212.43	3,373.05	3,541.70	3,718.79			
CHIEF DEPUTY CITY CLERK	m	4,330.10	4,546.61	4,773.94	5,012.64	5,263.27			

City of Santa Maria
Schematic Full-Time Bi-Weekly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H
CHIEF HUMAN RESOURCES OFFICER (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
CHIEF INFORMATION OFFICER (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
CHIEF OF POLICE (Corp Leader Broadband - Safety)	psmp	8,319.23	-	-	-	12,478.85			
CHIEF PUBLIC WORKS INSPECTOR	g	2,680.06	2,814.06	2,954.76	3,102.50	3,257.63			
CITY ATTORNEY (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
CITY MANAGER (Broadband)	m	9,766.02	-	-	-	13,906.52			
CODE ENFORCEMENT OFFICER I	g	2,327.73	2,444.12	2,566.33	2,694.65	2,829.38			
CODE ENFORCEMENT OFFICER II	g	2,541.92	2,669.02	2,802.47	2,942.59	3,089.72			
CODE ENFORCEMENT SUPERVISOR	g	3,059.60	3,212.58	3,373.21	3,541.87	3,718.96			
CODE ENFORCEMENT TECHNICIAN	g	1,872.00	1,965.60	2,063.88	2,167.07	2,275.42			
COMMUNITY PROGRAMS MANAGER	m	4,179.80	4,388.79	4,608.23	4,838.64	5,080.57			
CONFIDENTIAL OFFICE CLERK I	m	1,573.80	1,652.49	1,735.11	1,821.87	1,912.96			
CONFIDENTIAL OFFICE CLERK II	m	1,738.87	1,825.81	1,917.10	2,012.96	2,113.61			
CONFIDENTIAL SECRETARY	m	2,174.87	2,283.61	2,397.79	2,517.68	2,643.56			
CONFIDENTIAL TECHNICIAN I	m	2,174.87	2,283.61	2,397.79	2,517.68	2,643.56			
CONFIDENTIAL TECHNICIAN II	m	2,397.79	2,517.68	2,643.56	2,775.74	2,914.53			
CONFIDENTIAL TECHNICIAN III	m	2,775.75	2,914.54	3,060.27	3,213.28	3,373.94			
CORPORATE/EXECUTIVE LEADER - NON SAFETY (Broadband)	m	7,864.91	-	-	-	12,004.34			
CORPORATE/EXECUTIVE LEADER - SAFETY (Broadband)	psm	8,319.23	-	-	-	12,478.85			
CREW LEADER/MAINTENACE SPECIALIST	g	2,280.46	2,394.48	2,514.20	2,639.91	2,771.91			
CRIME ANALYST	g	2,729.57	2,866.05	3,009.35	3,159.82	3,317.81			
CRIME LAB AND EVIDENCE SUPV	pn	4,157.81	4,365.70	4,583.99	4,813.19	5,053.85			
CRIMINALISTICS TECHNICIAN I	pn	2,594.47	2,724.19	2,860.40	3,003.42	3,153.59			
CRIMINALISTICS TECHNICIAN II	pn	3,363.72	3,531.91	3,708.51	3,893.94	4,088.64			
CUSTOMER SERVICE CLERK	g	1,506.06	1,581.36	1,660.43	1,743.45	1,830.62			
CUSTOMER SERVICE TECHNICIAN	g	2,193.40	2,303.07	2,418.22	2,539.13	2,666.09			
DEPUTY BUILDING OFFICIAL	m	3,894.39	4,089.11	4,293.57	4,508.25	4,733.66			

City of Santa Maria
Schematic Full-Time Bi-Weekly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H
DEPUTY CITY CLERK	m	2,408.16	2,528.57	2,655.00	2,787.75	2,927.14			
DEPUTY CITY MANAGER	m	5,951.96	6,249.56	6,562.04	6,890.14	7,234.65			
DEPUTY DIRECTOR - SOLID WASTE (Org Leader Broadband - Non Safety)	m	6,209.15	-	-	-	10,348.58			
DEPUTY FIRE CHIEF (Org Leader Broadband-Safety)	psmf	6,447.41	-	-	-	10,607.03			
DIGITAL FORENSICS EXAMINER	pn	3,628.46	3,809.88	4,000.37	4,200.39	4,410.41			
DIR OF COMMUNITY DEVELOPMENT (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
DIR OF PUBLIC WORKS (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
DIR OF RECREATION & PARKS (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
DIRECTOR OF FINANCE (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
DIRECTOR OF UTILITIES (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
DISPATCHER I	pn	2,528.10	2,654.51	2,787.24	2,926.60	3,072.93			
DISPATCHER II	pn	2,932.60	3,079.23	3,233.19	3,394.85	3,564.59			
ELECTRICIAN I	g	2,656.92	2,789.77	2,929.26	3,075.72	3,229.51			
ELECTRICIAN II	g	3,075.72	3,229.51	3,390.99	3,560.54	3,738.57			
ENGINEER I	g	3,060.17	3,213.18	3,373.84	3,542.53	3,719.66			
ENGINEER II	g	3,373.86	3,542.55	3,719.68	3,905.66	4,100.94			
ENGINEER III	g	3,719.70	3,905.69	4,100.97	4,306.02	4,521.32			
ENGINEERING TECH II	g	2,382.31	2,501.43	2,626.50	2,757.83	2,895.72			
ENGINEERING TECH III	g	2,643.52	2,775.70	2,914.49	3,060.21	3,213.22			
EQUIPMENT MECHANIC I	g	2,200.20	2,310.21	2,425.72	2,547.01	2,674.36			
EQUIPMENT MECHANIC II	g	2,371.09	2,489.64	2,614.12	2,744.83	2,882.07			
EXECUTIVE ASSISTANT	m	2,954.65	3,102.38	3,257.50	3,420.38	3,591.40			
FACILITIES SUPERVISOR	g	3,208.25	3,368.66	3,537.09	3,713.94	3,899.64			
FIELD MECHANIC	g	2,492.31	2,616.93	2,747.78	2,885.17	3,029.43			
FINANCE CLERK I	g	1,792.86	1,882.50	1,976.63	2,075.46	2,179.23			

City of Santa Maria
Schematic Full-Time Bi-Weekly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H
FINANCE CLERK II	g	1,977.00	2,075.85	2,179.64	2,288.62	2,403.05			
FINANCE LEAD CLERK	g	2,174.74	2,283.48	2,397.65	2,517.53	2,643.41			
FIRE BATTALION CHIEF	psmf	6,000.81	6,300.85	6,615.89	6,946.68	7,294.01			
FIRE CAPTAIN	f	3,681.37	3,865.44	4,058.71	4,261.65	4,474.73			
FIRE CHIEF (Corp Leader Broadband - Safety)	psmf	8,319.23	-	-	-	12,478.85			
FIRE ENGINEER	f	3,233.58	3,395.26	3,565.02	3,743.27	3,930.43			
FIRE FIGHTER	f	2,926.60	3,072.93	3,226.58	3,387.91	3,557.31			
FIRE FIGHTER IN TRAINING	f	2,191.45	2,301.02	2,416.07	2,536.87	2,663.71			
FIRE INSPECTOR I	f	2,553.12	2,680.78	2,814.82	2,955.56	3,103.34			
FIRE INSPECTOR II	f	2,814.83	2,955.57	3,103.35	3,258.52	3,421.45			
FIRE MARSHAL	m	5,861.06	6,154.11	6,461.82	6,784.91	7,124.16			
FIRE PREVENTION OFFICER I	f	2,660.59	2,793.62	2,933.30	3,079.97	3,233.97			
FIRE PREVENTION OFFICER II	f	2,926.60	3,072.93	3,226.58	3,387.91	3,557.31			
FLEET SERVICES SUPERVISOR	g	3,368.69	3,537.12	3,713.98	3,899.68	4,094.66			
GIS ANALYST	g	3,608.37	3,788.79	3,978.23	4,177.14	4,386.00			
GIS MANAGER	m	3,730.32	3,916.84	4,112.68	4,318.31	4,534.23			
GIS TECHNICIAN I	g	2,811.50	2,952.08	3,099.68	3,254.66	3,417.39			
GIS TECHNICIAN II	g	3,099.67	3,254.65	3,417.38	3,588.25	3,767.66			
GRANTS SPECIALIST I	g	2,454.82	2,577.56	2,706.44	2,841.76	2,983.85			
GRANTS SPECIALIST II	g	2,706.46	2,841.78	2,983.87	3,133.06	3,289.71			
GROUNDSKEEPER	g	1,663.99	1,747.19	1,834.55	1,926.28	2,022.59			
HEAVY EQUIPMENT MECHANIC	g	2,692.55	2,827.18	2,968.54	3,116.97	3,272.82			
HOUSING & COMMUNITY SERVICE TECHNICIAN	g	2,386.65	2,505.98	2,631.28	2,762.84	2,900.98			
INVESTIGATIVE SPECIALIST	pn	2,515.88	2,641.67	2,773.75	2,912.44	3,058.06			
INVESTIGATIVE SPECIALIST I (Flex)	pn	2,515.88	2,641.67	2,773.75	2,912.44	3,058.06			
INVESTIGATIVE SPECIALIST II (Flex)	pn	2,773.76	2,912.45	3,058.07	3,210.97	3,371.52			
LABORATORY COORDINATOR	g	2,962.75	3,110.89	3,266.43	3,429.75	3,601.24			
LANDFILL HEAVY EQUIP LEAD OPR	g	2,590.59	2,720.12	2,856.13	2,998.94	3,148.89			
LANDFILL HEAVY EQUIP OPR	g	2,349.69	2,467.17	2,590.53	2,720.06	2,856.06			
LANDFILL HEAVY EQUIP OPR II	g	2,467.17	2,590.53	2,720.06	2,856.06	2,998.86			
LEAD CUSTOMER SERVICE TECHNICIAN	g	2,618.05	2,748.95	2,886.40	3,030.72	3,182.26			
LEAD MECHANIC	g	2,747.81	2,885.20	3,029.46	3,180.93	3,339.98			
LEAD POLICE SERVICE TECHNICIAN	pn	2,629.14	2,760.60	2,898.63	3,043.56	3,195.74			

City of Santa Maria
Schematic Full-Time Bi-Weekly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H
LEAD WASTEWATER OPERATOR	g	3,090.40	3,244.92	3,407.17	3,577.53	3,756.41			
LEAD WATER OPERATOR	g	3,090.40	3,244.92	3,407.17	3,577.53	3,756.41			
LEGAL OFFICE SPECIALIST - CONFIDENTIAL	m	2,775.75	2,914.54	3,060.27	3,213.28	3,373.94			
LIBRARIAN I	g	2,289.79	2,404.28	2,524.49	2,650.71	2,783.25			
LIBRARIAN II	g	2,529.93	2,656.43	2,789.25	2,928.71	3,075.15			
LIBRARIAN III	m	4,266.77	4,480.11	4,704.12	4,939.33	5,186.30			
LIBRARY ASSISTANT I	g	1,932.62	2,029.25	2,130.71	2,237.25	2,349.11			
LIBRARY ASSISTANT II	g	2,130.99	2,237.54	2,349.42	2,466.89	2,590.23			
LIBRARY CLERK	g	1,506.06	1,581.36	1,660.43	1,743.45	1,830.62			
LIBRARY DIRECTOR (Corp Leader Broadband - Non Safety)	m	7,864.91	-	-	-	12,004.34			
LIBRARY TECHNICIAN	g	2,125.23	2,231.49	2,343.06	2,460.21	2,583.22			
MAINTENANCE WORKER I	g	1,794.91	1,884.66	1,978.89	2,077.83	2,181.72			
MAINTENANCE WORKER II	g	1,934.36	2,031.08	2,132.63	2,239.26	2,351.22			
OFFICE ASSISTANT I	g	1,506.06	1,581.36	1,660.43	1,743.45	1,830.62			
OFFICE ASSISTANT II	g	1,663.99	1,747.19	1,834.55	1,926.28	2,022.59			
ORGANIZATIONAL / ENTERPRISE LEADER - NON SAFETY (Broadband)	m	6,209.15	-	-	-	10,348.58			
ORGANIZATIONAL / ENTERPRISE LEADER - SAFETY (Broadband)	psm	6,447.41	-	-	-	10,607.03			
OUTREACH COORDINATOR	g	2,156.35	2,264.17	2,377.38	2,496.25	2,621.06			
PARK SERVICE OFFICER	g	1,841.76	1,933.85	2,030.54	2,132.07	2,238.67			
PARK SERVICES OFFICER II	g	2,234.79	2,346.53	2,463.86	2,587.05	2,716.40			
PARK SERVICES OFFICER III	g	2,726.43	2,862.75	3,005.89	3,156.18	3,313.99			
PARKS & FOREST SUPERVISOR	g	3,181.43	3,340.50	3,507.53	3,682.91	3,867.06			
PEG PRODUCTION MANAGER	m	2,979.48	3,128.45	3,284.87	3,449.11	3,621.57			
PLAN CHECK ENGINEER	m	4,724.94	4,961.19	5,209.25	5,469.71	5,743.20			
PLANNING DIVISION MANAGER	m	5,988.50	6,287.93	6,602.33	6,932.45	7,279.07			
PLANNING TECHNICIAN	g	2,177.92	2,286.82	2,401.16	2,521.22	2,647.28			
PLANS EXAMINER	g	2,910.57	3,056.10	3,208.91	3,369.36	3,537.83			
POLICE CORPORAL	p	3,650.13	3,832.64	4,024.27	4,225.48	4,436.75			

City of Santa Maria
Schematic Full-Time Bi-Weekly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H
POLICE DIVISION COMMANDER (Org Leader Broadband - Safety)	psmp	6,447.41	-	-	-	10,607.03			
POLICE LIEUTENANT	pmm	5,725.95	6,012.25	6,312.86	6,628.50	6,959.93			
POLICE OFFICER	p	3,386.97	3,556.32	3,734.14	3,920.85	4,116.89			
POLICE RECORDS SUPERVISOR	g	2,685.95	2,820.25	2,961.26	3,109.32	3,264.79			
POLICE RECORDS TECH-DETECTIVES	g	2,205.00	2,315.25	2,431.01	2,552.56	2,680.19			
POLICE RECORDS TECHNICIAN I	g	2,041.79	2,143.88	2,251.07	2,363.62	2,481.80			
POLICE RECORDS TECHNICIAN II	g	2,205.00	2,315.25	2,431.01	2,552.56	2,680.19			
POLICE SERGEANT	pmm	4,622.39	4,853.51	5,096.19	5,351.00	5,618.55			
POLICE SERVICES TECHNICIAN	pn	2,384.71	2,503.95	2,629.15	2,760.61	2,898.64			
POLICE TRAINEE	pn	2,842.06	2,984.16	3,133.37	3,290.04	3,454.54			
PRINCIPAL CIVIL ENGINEER	m	5,270.93	5,534.48	5,811.20	6,101.76	6,406.85			
PRINCIPAL PLANNER	m	4,701.33	4,936.40	5,183.22	5,442.38	5,714.50			
PROGRAM LEADER	m	4,124.48	4,310.08	4,504.04	4,706.72	4,918.52	5,139.85	5,371.15	5,612.86
PROPERTY-EVIDENCE CLERK	g	2,382.67	2,501.80	2,626.89	2,758.23	2,896.14			
PUBLIC WORKS INSPECTOR	g	2,430.91	2,552.46	2,680.08	2,814.08	2,954.78			
PUBLIC WORKS OPERATIONS MGR	m	4,867.99	5,111.39	5,366.96	5,635.31	5,917.08			
PUBLIC WORKS TECHNICIAN I	g	2,156.35	2,264.17	2,377.38	2,496.25	2,621.06			
PUBLIC WORKS TECHNICIAN II	g	2,386.65	2,505.98	2,631.28	2,762.84	2,900.98			
RECREATION COORDINATOR	g	2,291.84	2,406.43	2,526.75	2,653.09	2,785.74			
RECREATION SUPERVISOR	g	2,652.43	2,785.05	2,924.30	3,070.52	3,224.05			
RECREATION TECHNICIAN	g	2,156.35	2,264.17	2,377.38	2,496.25	2,621.06			
REGULATORY COMPLIANCE MANAGER	m	4,867.99	5,111.39	5,366.96	5,635.31	5,917.08			
REGULATORY COMPLIANCE SPECIALIST I	g	2,420.65	2,541.68	2,668.76	2,802.20	2,942.31			
REGULATORY COMPLIANCE SPECIALIST II	g	2,668.76	2,802.20	2,942.31	3,089.43	3,243.90			
REGULATORY COMPLIANCE SUPERVISOR	g	3,059.60	3,212.58	3,373.21	3,541.87	3,718.96			
SECRETARY	g	2,050.37	2,152.89	2,260.53	2,373.56	2,492.24			
SECRETARY TO THE CITY MANAGER	m	2,688.74	2,823.18	2,964.34	3,112.56	3,268.19			
SENIOR ASSISTANT CITY ATTORNEY (Org Leader Broadband - Non Safety)	m	6,209.15	-	-	-	10,348.58			
SENIOR BUILDING PERMIT TECH	g	2,547.17	2,674.53	2,808.26	2,948.67	3,096.10			
SENIOR CIVIL ENGINEER	g	4,073.98	4,277.68	4,491.56	4,716.14	4,951.95			
SENIOR CREW LEADER-MAINT SPEC	g	2,394.47	2,514.19	2,639.90	2,771.90	2,910.50			

City of Santa Maria
Schematic Full-Time Bi-Weekly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H
SENIOR DISPATCHER	pn	3,234.64	3,396.37	3,566.19	3,744.50	3,931.73			
SENIOR PARK SERVICES OFFICER	g	3,349.86	3,517.35	3,693.22	3,877.88	4,071.77			
SENIOR PLANNER	g	3,549.61	3,727.09	3,913.44	4,109.11	4,314.57			
SENIOR PLANS EXAMINER	g	3,373.86	3,542.55	3,719.68	3,905.66	4,100.94			
SENIOR POLICE RECORDS TECH	g	2,315.25	2,431.01	2,552.56	2,680.19	2,814.20			
SENIOR PROJECT MANAGER	m	4,472.45	4,696.07	4,930.87	5,177.41	5,436.28			
SENIOR SYSTEMS ANALYST	m	4,812.24	5,052.85	5,305.49	5,570.76	5,849.30			
SENIOR TRAFFIC SIGNAL TECH	g	2,856.01	2,998.81	3,148.75	3,306.19	3,471.50			
SHAREPOINT DEVELOPER	g	3,680.95	3,865.00	4,058.25	4,261.16	4,474.22			
SOLID WASTE COLLECTIONS SUPV	g	3,333.47	3,500.14	3,675.15	3,858.91	4,051.86			
SOLID WASTE EQUIP CREW LDR	g	2,289.03	2,403.48	2,523.65	2,649.83	2,782.32			
SOLID WASTE EQUIP LEAD OPR	g	2,531.50	2,658.08	2,790.98	2,930.53	3,077.06			
SOLID WASTE EQUIPMENT OPR I	g	2,137.26	2,244.12	2,356.33	2,474.15	2,597.86			
SOLID WASTE EQUIPMENT OPR II	g	2,180.00	2,289.00	2,403.45	2,523.62	2,649.80			
SOLID WASTE LANDFILL SUPV	g	3,333.47	3,500.14	3,675.15	3,858.91	4,051.86			
SOLID WASTE MANAGER	m	5,270.93	5,534.48	5,811.20	6,101.76	6,406.85			
SPECIAL DISTRICTS COORDINATOR	g	3,181.43	3,340.50	3,507.53	3,682.91	3,867.06			
SPECIAL DISTRICTS SUPERVISOR	g	3,548.99	3,726.44	3,912.76	4,108.40	4,313.82			
SPECIAL DISTRICTS TECHNICIAN	g	2,454.32	2,577.04	2,705.89	2,841.18	2,983.24			
STREET MAINT SUPERVISOR	g	3,208.25	3,368.66	3,537.09	3,713.94	3,899.64			
SYSTEMS ANALYST I	g	3,337.92	3,504.82	3,680.06	3,864.06	4,057.26			
SYSTEMS ANALYST II	g	3,680.95	3,865.00	4,058.25	4,261.16	4,474.22			
TRAFFIC SIGNAL TECHNICIAN	g	2,656.76	2,789.60	2,929.08	3,075.53	3,229.31			
TRANSIT ASSISTANT	g	1,663.99	1,747.19	1,834.55	1,926.28	2,022.59			
TRANSIT COORDINATOR	g	2,339.62	2,456.60	2,579.43	2,708.40	2,843.82			
TRANSIT PLANNER	g	3,024.98	3,176.23	3,335.04	3,501.79	3,676.88			
TRANSIT SERVICES MANAGER	m	4,867.99	5,111.39	5,366.96	5,635.31	5,917.08			
UTILITIES ACCOUNTING TECH I	g	2,124.16	2,230.37	2,341.89	2,458.98	2,581.93			
UTILITIES ACCOUNTING TECH II	g	2,342.40	2,459.52	2,582.50	2,711.63	2,847.21			
UTILITIES ACCOUNTING TECH III	g	2,459.51	2,582.49	2,711.61	2,847.19	2,989.55			
UTILITIES OUTREACH SPECIALIST	g	1,928.09	2,024.49	2,125.71	2,232.00	2,343.60			
UTILITIES TECHNOLOGY ANALYST	g	3,337.92	3,504.82	3,680.06	3,864.06	4,057.26			

City of Santa Maria
Schematic Full-Time Bi-Weekly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H
UTILITY BILLING LEAD CLERK	g	2,174.74	2,283.48	2,397.65	2,517.53	2,643.41			
UTILITY BILLING SUPERVISOR	g	2,283.46	2,397.63	2,517.51	2,643.39	2,775.56			
WASTEWATER OPERATOR	g	2,618.05	2,748.95	2,886.40	3,030.72	3,182.26			
WASTEWATER OPERATOR I	g	2,325.08	2,441.33	2,563.40	2,691.57	2,826.15			
WASTEWATER OPERATOR II	g	2,618.05	2,748.95	2,886.40	3,030.72	3,182.26			
WASTEWATER OPERATOR III	g	2,886.41	3,030.73	3,182.27	3,341.38	3,508.45			
WASTEWATER OPERATOR TRAINEE	g	2,325.08	2,441.33	2,563.40	2,691.57	2,826.15			
WASTEWATER SUPERVISOR	g	3,830.42	4,021.94	4,223.04	4,434.19	4,655.90			
WATER CONSERVATION SPECIALIST	g	1,934.36	2,031.08	2,132.63	2,239.26	2,351.22			
WATER OPERATOR	g	2,618.05	2,748.95	2,886.40	3,030.72	3,182.26			
WATER OPERATOR I	g	2,325.08	2,441.33	2,563.40	2,691.57	2,826.15			
WATER OPERATOR II	g	2,618.05	2,748.95	2,886.40	3,030.72	3,182.26			
WATER OPERATOR III	g	2,886.41	3,030.73	3,182.27	3,341.38	3,508.45			
WATER OPERATOR TRAINEE	g	2,325.08	2,441.33	2,563.40	2,691.57	2,826.15			
WATER RESOURCES LEAD OPERATOR	g	3,140.26	3,297.27	3,462.13	3,635.24	3,817.00			
WATER RESOURCES MANAGER	m	5,270.93	5,534.48	5,811.20	6,101.76	6,406.85			
WATER RESOURCES OPERATOR	g	2,848.27	2,990.68	3,140.21	3,297.22	3,462.08			
WATER SUPERVISOR	g	3,830.42	4,021.94	4,223.04	4,434.19	4,655.90			
WATER SYSTEM OPERATOR I	g	2,268.43	2,381.85	2,500.94	2,625.99	2,757.29			
WATER SYSTEM OPERATOR II	g	2,554.11	2,681.82	2,815.91	2,956.71	3,104.55			

Association Code	Bargaining Unit	Full Name
F	Local 2020	Fire Fighters Union Local 2020
M	NMAC	Non-Represented Management & Confidential Employees
PN	Police - Non Sworn	Police Officers Association
P	Police - Sworn	Police Officers Association
PSMF	PSM - Fire	Public Safety Managers
G	SEIU - Full-Time	Service Employees International Union
PMM	SMPAMM	Santa Maria Police Association of Middle Managers
E	No Unit	
Z	SEIU (PT)	Service Employees International Union

City of Santa Maria
Schematic Hourly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E
ACCOUNT CLERK AIDE	z	19.96	20.96	22.01	23.11	24.27
ADMINISTRATIVE AIDE I	e	21.07	22.12	23.23	-	-
ADMINISTRATIVE AIDE II	e	24.39	25.62	26.89	-	-
ADMINISTRATIVE AIDE III	e	28.33	29.75	31.24	-	-
ASSIST LIBRARY TECHNICIAN	e	16.75	17.59	18.47	-	-
ASSISTANT CLERK - OFFICE	e	16.00	16.80	17.64	-	-
ASST PUBLIC WORKS INSPECTOR	e	29.06	30.51	32.04	-	-
AQUATICS SAFETY & EDUCATIONAL SPEC	e	17.90	18.80	19.74	-	-
BUSINESS PROGRAM LEADER I (Broadband)	mpt	41.17	-	-	-	52.98
CERTIFIED DISPATCH AIDE	e	31.44	33.01	34.66		
CLERK II	z	17.23	18.09	18.99	19.94	20.94
COMMUNITY OUTREACH COORDINATOR	z	24.35	25.57	26.85	28.19	29.60
CONSULTANT I	e	39.92	41.92	44.02	-	-
CONSULTANT II	e	46.23	48.53	50.96	-	-
CONSULTANT III	e	53.85	56.54	59.36	-	-
CONSULTANT IV	e	63.04	68.29	73.54	-	-
CUSTOMER SERVICE PHONE OPER*	e	16.00	16.80	17.64	-	-
EMERGENCY SERVICES SPECIALIST	z	33.41	35.08	36.83	38.67	40.60
EXECUTIVE CONSULTANT	e	112.00	117.60	123.48		
FACILITY SPECIALIST II	z	20.52	21.55	22.63	23.76	24.95
FACILITY SPECIALIST III	z	22.07	23.17	24.33	25.55	26.83
GENERAL LABORER	e	16.00	16.80	17.64	-	-
GRAPHICS TECHNICIAN	z	18.96	19.91	20.91	21.96	23.06
INTERIM DIRECTOR I	e	63.04	68.29	73.54	-	-
INTERIM DIRECTOR II	e	78.80	84.05	89.30	-	-
INTERIM DIRECTOR III	e	94.55	99.81	105.06	-	-
INTERN - GENERAL	e	16.00	16.80	17.64	-	-
INTERN - PROFESSION	e	16.00	16.80	17.64	-	-
INVESTIGATIVE OFFICER I	e	73.54	0.00	0.00	-	-
INVESTIGATIVE OFFICER II	e	105.06	0.00	0.00	-	-
LABORER III	z	18.11	19.02	19.97	20.97	22.02
LIBRARY PAGE	e	16.00	16.80	17.64	-	-

City of Santa Maria
Schematic Hourly Rates
Effective 05/21/2024

Description	Assoc.	Step A	Step B	Step C	Step D	Step E
LIBRARY TECHNICAL ASSISTANT	z	20.49	21.51	22.59	23.72	24.91
LIFEGUARD	e	16.00	16.80	17.64	-	-
MAINTENANCE TECHNICIAN	e	16.00	16.80	17.64	-	-
MULTIMEDIA ASSISTANT	e	16.00	16.80	17.64	-	-
PARK SERVICES AIDE	e	16.00	16.80	17.64	-	-
PARK SERVICES COORDINATOR	z	42.48	44.60	46.83	49.17	51.63
POLICE CADET	e	16.75	17.59	18.47	-	-
POLICE RECORDS CLERK	z	18.98	19.93	20.93	21.98	23.08
PROVISIONAL OFFICER	e	39.91	41.91	44.01	46.21	48.52
RECREATION ACTIVITY SPECIALIST	z	18.30	19.22	20.18	21.19	22.25
RECREATION LEADER II	e	16.00	16.80	17.64	-	-
REGULATORY COMPLIANCE CLERK	e	16.00	16.80	17.64	-	-
RESERVE POLICE OFFICER LEVEL 1	e	21.01	-	-	-	-
RESERVE POLICE OFFICER LEVEL 2	e	17.86	-	-	-	-
SECURITY GUARD	z	20.81	21.85	22.94	24.09	25.29
SENIOR LIFEGUARD	z	20.21	21.22	22.28	23.39	24.56
SKILLED LABORER	e	22.02	23.12	24.28	-	-
STAFF AIDE - FACILITIES	e	16.00	16.80	17.64	-	-
STAFF ASSISTANT	z	17.60	18.48	19.40	20.37	21.39
SWIM INSTRUCTOR	e	17.90	18.80	19.74	-	-
SWIM POOL CLERK	e	16.00	16.80	17.64	-	-
TECHNICAL AIDE I	e	16.00	16.80	17.64	-	-
TECHNICAL AIDE II	e	16.00	16.80	17.64	-	-
TECHNICAL AIDE III	e	18.20	19.11	20.06	-	-
TEMPORARY PLANNER	e	34.84	36.59	38.41	-	-
TRANSIT TECHNICIAN	z	20.49	21.51	22.59	23.72	24.91

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APPENDIX J: SUMMARY OF EMPLOYEE COMPENSATION AND BENEFITS

The purpose of this summary is to depict a historical overview of the total City cost for employee compensation and benefits. The total City estimated cost for employee health and retirement benefits in 2024-25 equates to $48,734,634. This summary is provided to give the reviewer an understanding of the magnitude of the costs associated with the City paying a portion of employee compensation and benefits.

	Actual 2022-23	Adopted 2023-24	Adopted 2024-25	Adopted 2025-26
Employee Compensation and Benefits				
Health Benefits	$ 14,380,600	$ 17,863,883	$ 20,456,525	$ 21,175,846
Retirement	21,634,495	24,988,650	28,278,109	29,364,285
Compensated Absences	7,590,224	8,987,141	10,156,544	10,877,925
Other Post-Employment Benefits	1,747,411	559,110	425,500	446,720

HEALTH BENEFITS

The City provides a variety of health benefits including medical, dental, vision, and life insurance to its full-time and part-time employees. The City contributes $149 per month toward the medical premiums and varying amounts for other health benefits as stipulated in current labor agreements. The City also provides post-retirement health benefits, in accordance with State statutes, to all employees retiring from the City who are enrolled in an insurance program under the California Public Employees' Medical and Hospital Act. For retirees, the City is required by the California Employees' Retirement System (CalPERS) to contribute $149 per month per retiree. The balance of premiums, which average approximately $691 per month, is paid by retirees. The City contributes a pre-established monthly contribution to the post-employment health benefits and the benefits are provided after separation from the City on a pay-as-you-go basis.

RETIREMENT

The City contributes to the CalPERS, an agent multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance. Copies of CalPERS' annual financial report may be obtained from its Executive Office – 400 Q Street, Sacramento, CA 95811.

Participants in CalPERS are required to contribute a percentage of their annual covered salary toward the CalPERS pension plan. The City's CalPERS plan has a three-tier structure and is applicable to full-time and part-time employees. Employees hired on or before July 1, 2011, are in Tier I, employees hired after July 1, 2011, but before January 1, 2013, are in Tier II and employees hired on or after January 1, 2013, are in Tier III. The City has negotiated cost-sharing agreements with most of its bargaining groups. Pursuant to these agreements, employees contribute between 2 percent and 13 percent of the City's CalPERS contribution. The City does not contribute any portion of the employee-required contribution for Tier II or Tier III employees. Approximately 70 percent of full-time and part-time employees are in Tier II and III. However, the City is required to make annual contributions (the employer's share), for all tiers, at an actuarially determined rate, as well as separate payments for unfunded liability.

The chart on the following page shows required contribution rates (including unfunded liability) for 2022-23 and estimated rates for 2023-24:

	Required Contribution Rates					
	2024-25			2025-26		
	Tier I	Tier II	Tier III	Tier I	Tier II	Tier III
Police						
Employee	9.00%	9.00%	13.00%	9.00%	9.00%	13.00%
City*	86.37%	24.08%	14.62%	89.20%	24.72%	15.22%
Fire						
Employee	9.00%	9.00%	13.75%	9.00%	9.00%	13.75%
City*	71.89%	26.46%	16.10%	74.21%	26.50%	16.96%
General						
Employee	8.00%	7.00%	7.00%	8.00%	7.00%	7.00%
City*	40.79%	40.79%	40.79%	40.58%	40.58%	40.58%

* Includes unfunded liability payments converted to a percent of payroll.

All seasonal and temporary employees, and all other employees not covered by CalPERS are covered by the Public Agency Retirement System (PARS) pursuant to the requirements of 3121 (b)(7)(F) of the Internal Revenue Service Code (IRS). PARS is a Defined Contribution Plan qualifying under 401(a) and 501 of the IRS code.

COMPENSATED ABSENCES

It is the City's policy to record the cost of earned annual vacation, compensatory time, and fringe benefits. City employees accrue vacation and sick leave in varying amounts. Compensatory time is recorded as time earned by City employees for working overtime. In the event of termination, employees are reimbursed for the total value of their accumulated vacation days and compensatory time. Sick leave benefits are not vested to the employee; however, the City has a sick leave incentive program, which will normally compensate employees at a rate of 50 percent for accrued sick leave between a floor and ceiling amount. The maximum sick hours subject to be paid varies per bargaining group and is paid to employees upon regular retirement or death. The City's accrued amounts for the sick leave incentive program are based on historical trends and other relevant data.

The City records compensated absences in the governmental funds as expenditures for the amount accrued during the year that would normally be liquidated with expendable, available financial resources. The remainder of the liability is recorded as long-term debt. The proprietary funds accrue compensated absences in the period earned and are recorded as long-term liabilities in the applicable fund.

OTHER POST-EMPLOYMENT BENEFITS

The post-retirement health benefits described on the previous page are subject to GASB Statement Number 75. An actuarial valuation of Other Post-Employment Benefits (OPEB) shows that the cost of these benefits at July 1, 2022, for current employees and retirees is $22,539,553. This is the amount necessary to fund the cost of health insurance for all current and retired employees from the time of retirement until death. The cost of OPEB decreased by $2.6 million in 2021-22. Each year the City records annual OPEB expense, which is the amount of health insurance subsidy earned, during the current year, by current and former employees. The annual OPEB expense for 2022-23 was $1,747,411. The OPEB expense for 2023-24 has not been determined but is expected to be at least the same amount, if not more.

GASB 75 does not require the City to fund (set monies aside for) the $22,539,553 value of all benefits or the $1,747,411 annual cost. However, any amounts not set aside must be recorded as a liability (debt) in the annual ACFR. The cumulative liability will increase as the expense for each year is recorded. The City has designated a portion of the fund balance for this future liability.

APPENDIX K: FINANCIAL STATUS COMPARISON

ANALYSIS OF BUDGETS FROM OTHER CENTRAL COAST CITIES
2024-25

	Santa Barbara	Lompoc	San Luis Obispo	Santa Maria
General Fund				
Revenues	$ 195,893,061	$57,913,444	$ 119,405,109	$ 126,864,856
Appropriations	181,619,1361	57,907,829	114,754,112	139,848,861
All Operating Funds				
Revenues	484,843,528	86,171,722	189,392,000	267,570,171
Appropriations	482,651,381	89,833,307	192,443,000	291,414,303
Revenue Per Capita	5,633	2,215	3,953	2,419
Revenue Analysis				
Property Tax	51,030,000	11,841,839	22,651,995	26,498,432
Sales Tax	30,545,000	6,919,474	23,675,017	31,872,153
Sales/Use Tax Add-On *	33,400,000	8,079,138	30,897,602	26,544,951
Transient Occupancy Tax	28,700,000	2,300,00	10,918,080	4,273,426
Utility Users Tax**	7,800,000	0	5,881,630	0
Parking Revenue & Fines ***	14,692,970	0	10,362,924	0
TOTAL	$ 166,167,970	$ 26,842,751	$ 104,387,248	$ 89,188,962
Population (as of January 1, 2024)	85,679	40,545	48,684	110,608
Square mileage (city limits)	21.09	11.68	13.6	23.2
Personnel[+]				
Full-time Employees	893	325	485	732
Employees Per 1,000 ratio	10.42	8.01	9.96	6.61
Sworn Fire Employees	91	29	49	80
Fire Fighters Per 1,000 Ratio	1.06	0.71	0.98	0.72
Sworn Police Officers	142	44	61	140
Officers Per 1,000 Ratio	1.65	1.08	1.25	1.26

*Santa Barbara's sales tax add-on revenues are entirely for capital expenses. **Santa Barbara's Utility Users Tax reflects only the amount generated for the General Fund, which is half of the total UUT revenues collected. *** Enterprise Fund revenue, not General Fund revenue. Chart does not include cannabis tax revenues.

[+]The complement reflects authorized full-time employees in other cities with comparable services provided. Services not comparable are excluded from these calculations. It should be noted that the average employee per thousand residents (employee to population) ratio for the above three municipalities (excluding Santa Maria) is 9.10 per thousand as compared to the 6.61 per thousand in Santa Maria. ^Lompoc's population excludes 3,065 inmates at the Federal prison complex, per the California Department of Finance.

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APPENDIX L: HIGHLIGHTS OF RECENT ACCOMPLISHMENTS

The City successfully completed many projects in 2023-24 to improve the community's quality of life. Seven of those larger initiatives are highlighted as follows:

SMART CITY, SAFE CITY

With the unanimous support of the City Council in June 2023, the City launched this transformative brand, with numerous videos and its own website (subsite of the City website). The basis for our Smart City, Safe City logo is an icon that represents the parts of this vision – technology and safety, represented by semi-circles or Cs in blue and gold (our City colors) – coming together to create a connected community. They are unified by the green S, representing our strong ties to agriculture and the environment. The City launched its Smart City, Safe City website loaded with videos, photos, and information sharing how people in Santa Maria can benefit from robust, easy-to-access services and a more connected living experience. One component is the Neighborhood Connect program, an online portal for residents to report problems and receive quick feedback from City departments.

RECREATION

The City purchased a 19-acre property for its long-awaited sports complex at the corner of Depot Street and Battles Road. The land, currently used for agriculture, may see groundbreaking this year for the park. Amenities planned include four sports fields, basketball and futsal court, outdoor game area, playground, trails, snack bar, restrooms, and parking. The City continues to seek funding for this project. The Recreation and Parks Department also opened Machado Plaza, installed three Pickleball courts at Minami Park, reopened the Newlove Center and initiated after-school program, and put more than 2,500 youth through after-school programs.

SAFETY

Expanded use of the Automated License Plate Readers system and implemented new technology in body-worn cameras and online platforms for non-emergency crime reports, concealed carry weapons permits, and management of the Police Department's training program.

EMPLOYEE DEVELOPMENT

Hundreds of employees were trained in Active Shooter response, Leader In Each of Us, START, Supervisors Training, and the City launched its GROW Initiative with University of California, Santa Barbara. The GROW Initiative dedicates a 15-week cohort program with instructor-led sessions, and each cohort fulfills a capstone project that will benefit the organization.

TRANSPORTATION

Santa Maria Regional Transit unveiled its new fleet of electric buses on Earth Day 2024. Four new 35-foot buses were debuted, with 10 more coming this year. The quiet vehicles have modern features to improve rider comfort such as more spacious interiors and personal electronic charging ports.

LIBRARY

The Public Library reopened for Sunday hours on July 1, 2023, thanks to voter-approved Measure U funds. The Library also expanded its popular Bookmobile route with more locations in neighborhoods.

COMMUNICATIONS

To improve accessibility and transparency, the City now offers live closed captioning (subtitles) in English or Spanish during its government meeting broadcasts. The dual language captioning gives viewers, including the hearing impaired, a valuable resource to watch and understand what is happening with their local government. The live closed captioning is for live and replays of City Council and Planning Commission meetings on Comcast Cable Channel 23 and streaming online at CityofSantaMaria.org/tv. Viewers using Channel 23 can use their remote control or TV settings to enable captions. English Captions are available on CC 1 and Spanish captions are available on CC 3 in the settings.

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APPENDIX M: STATUS OF CITY-WIDE 2023-24 GOALS

CURRENT FISCAL YEAR ACCOMPLISHMENTS

The 10 departments' 2023-24 Accomplishments projected through the fourth quarter (June 2024) are as follows:

Status	Total	UT	PD	FD	PW	RP	LIB	CD	CAO	CMO	FIN
Initiated, not done	18	0	0	4	3	3	1	3	1	1	2
Completed	79	10	10	3	7	7	9	7	9	9	8
On hold, not started	3	0	0	3	0	0	0	0	0	0	0

Completed goals and objectives:

UTILITIES DEPARTMENT

- Awarded Project Management Contract for development and implementation of a Time Schedule Compliance Plan to revise operations and upgrade the wastewater treatment plant.
- Completed the Proposition 218 process for water and sewer rates with approval of the rates by the City Council.
- Leased and installed a modular building to facilitate additional workstations for Water Resources staff at the Wastewater Treatment Plant.
- Initiated an organizational assessment in support of a comprehensive strategic workforce plan.
- Negotiating a proposal for a Space Needs Assessment and Facilities Planning project to consolidate the Utilities Department operating divisions and administration functions at the Landfill site.
- Cleaned over 100 miles of sewer pipe and inspected over 10 miles of sewer pipe via video camera.
- Completed a fee study for disposal fees for the Santa Maria Regional Landfill with fees approved by the City Council.
- Completed Cell 1 Liner Extension Phase II California Environmental Quality Act (CEQA) study and plans, specifications and estimate to provide additional time to permit the Los Flores Integrated Waste Management Facility.
- Executed an agreement for services for operations and management of the recycling park at the Santa Maria Regional Landfill to meet State-mandated diversion requirements and to allow the community to continue to maximize recycling efforts.
- Completed the design and environmental review for Public Works to bid a contract for the construction of a potable waterline to the Wastewater Treatment Plant.

POLICE DEPARTMENT (SOME GOALS/OBJECTIVES ARE COMBINED)

- (Increased outreach efforts throughout the community, with a focus on the youth through expansion/implementation of Explorer Post and School Resource Officer programs, growing social media campaigns to engage the public on safety and crime prevention, and including the Mixteco-speaking community.
- Further developed existing partnerships with local/State/Federal agencies to enhance services to reduce crimes in areas such as gun violence, child exploitation, human trafficking, and substance abuse.
- Expanded the Automated License Plate Readers system and implemented new technology such as body-worn cameras and online platforms for non-emergency crime reports, concealed carry weapons permits, and management of the Department's training program, to increase transparency and enhance services to the community, in alignment with the Smart City, Safe City Vision.
- Focused efforts to promote recruitment, hiring, training, and the expansion of the Police Explorer Post program.

- Created policy, training, and implementation of acquired body-worn cameras, to meet best practice standards and enhance transparency within the community, and in alignment with the Smart City, Safe City vision.
- Implemented recommendations based on the completed audit of the Property/Evidence Division.

FIRE DEPARTMENT

- Developed and implemented a one-year training calendar to meet operational needs and standardize training for personnel.
- Conducted detailed condition and function assessment of all facilities and gave updates to the City Manager.
- Streamlined the Aircraft Rescue Fire Fighting (ARFF) certification process and train additional personnel to meet ARFF qualifications, to enhance succession planning.

PUBLIC WORKS DEPARTMENT

- Finalized Team Dynamics implementation for management of sidewalk pavement for pedestrians.
- Implemented the first phase of a multi-year Computerized Maintenance Management System to streamline facility operations and maintenance, to identify infrastructure lifespans, to align with the Smart City, Safe City vision.
- Developed a multi-year plan to grind and pave roads utilizing the Streets Division, prioritizing high wear and tear in residential areas.
- Identified the feasibility of improving the City's overall Pavement Condition Index (PCI) by one point per year, aligned with budget and roadway usage, and bring the plan forward to the City Manager and to the City Council.
- Fully developed one- to five-year implementation plan for the Public Works Department assessment study, aligned with the budget process. This will identify efficiency and effectiveness improvements to make the Department more productive.
- Implemented a strategy to furnish in-house resources to service heavy equipment at the Santa Maria Regional Landfill, with the objective of reducing outside billings by up to 75 percent.
- Began a feasibility study to assess the potential benefits of implementing a Bus Rapid Transit system along Broadway (Highway 135), and presented to CalTrans.

RECREATION AND PARKS DEPARTMENT

- Completed the comprehensive plan for the creation of a Citywide Landscape Maintenance District in the effort to find a supplemental funding source for the Park system and bring the feasibility report to the City Council. Present to the City Council a plan for feasibility and methodology for the creation of such a district.
- Expanded and created new meaningful outdoor programs and services for families to fulfill a City Council goal and in alignment with the Smart City, Safe City vision. Using a $500,000 grant from the State of California to engage more families in recreation programs in the out of doors, including excursions and camping experiences.
- Maintained and grew the partnerships with those community-based organizations whose services focus on the pillars of "Intervention" and "Prevention" as stated in the Mayor's Task Force on Youth Safety report. Organize a biannual summit of these groups.
- Made progress on capital projects including, relandscaping the Civic Center facing Broadway; phase one and two of the Veterans' Memorial Park project; phase one of the Smith/Enos House and Japanese Community Center projects; Battles Road Multi-purpose trail beautification project and Jones Street Intermodal Trail Project.
- Brought to the Recreation and Parks Commission a proposed City Urban Forest Master Plan and presented to the City Council for consideration.

- Completed an Organizational Assessment for the Department's future needs in management, supervision, staffing and facilities, develop a multi-year implementation plan, and include professional development and training.
- To fulfill the City Council's priorities for public safety, utilized the City Ranger program to promote continued safety in and around public spaces, update policy and procedure manual using the Lexipol system, encourage environmental sustainability, create opportunities for social interaction.

LIBRARY DEPARTMENT

- Enhanced Library program opportunities for children and families by partnering with Children's Resource and Referral and other community organizations to establish an Early Learning Library Hub and Library programs in alternate community physical locations around the community.
- Supported the Smart City, Safe City vision by expanding Bookmobile services in the City.
- Continued working with an architectural firm to complete assessment of Main Library layout and begin planning phase for redesign spaces, to meet anticipated patron needs and enhance the Library experience.
- Installed updated security camera equipment and software aligning with the Smart City Safe City vision.
- Created an internal professional development series for library personnel to increase technical proficiency and industry knowledge, leading to higher staff engagement and job satisfaction. (Observation: This takes a nearly annual goal to the next level).
- Implemented two part-time dedicated Library Security Officers, through Measure U funding, to provide continued safety for Public Library users and staff.
- Evaluated current trends for collection development and circulation to adjust purchasing allocations, maximizing available funding, and increasing operational efficiency.
- Prepared an analysis of Black Gold services to determine the value versus cost of membership and ensure proper expenditure of City funds.

COMMUNITY DEVELOPMENT DEPARTMENT

- Continued the comprehensive update to the City's General Plan for target year 2045. Completed the Alternatives Phase with the City Council's direction in December 2023.
- Achieved State certification of the City's General Plan Housing Element by State Housing and Community Development (HCD).
- Continue implementation of the Downtown Specific Plan, by working with property owners and developers to encourage construction of new housing, retail and employment uses and amenities.
- Coordinated with downtown property owners, including Santa Maria Town Center, on property improvement efforts. To supplement existing City services, began the multi-year process of creating a Downtown Business Improvement District, in collaboration with the Chamber of Commerce, to identify its geographic scope and establish a funding mechanism for downtown enhancements including, but not limited to, landscaping, lighting, signage, parking and security.
- Continued coordination with Santa Barbara County Animal Services to ensure responsive customer service, quality animal care, and meaningful community engagement. Met quarterly with the Animal Services director to discuss performance measures and ongoing improvement efforts.
- Updated the City's permitting software, Trak-It, to the new Central Square Community Development software. Transitioned from paper plan review to digital plan review and online submittals.
- Developed standard operating procedures for essential Code Enforcement officer responsibilities and duties. Draft program and position manuals to promote training and development.

CITY ATTORNEY'S OFFICE

- Assisted the Community Development Department with developer negotiations, toward achieving the revitalization of the City's downtown.
- Collaborated with the City Manager's Office regarding increased efficiencies in claims handling and prelitigation resolutions.
- Prepared and presented an updated Contract Processes policy and procedures to the City Manager's Office, to provide contractual transparency and consistency.
- Prepared and presented ordinances to the City Council making technical amendments to the Municipal Code to update for changes in State law, new cases, and to clarify existing ordinances as required. This effort included deleting outdated code provisions to reduce the regulatory burden on the City's businesses and residents.
- Continued to actively monitor and participate in tort and civil litigation to reduce the burden on the taxpayers of frivolous and non-meritorious cases.
- Represented the Police Department at Gun Violence Restraining Order hearings to reduce the occurrence of gun violence within the City.
- Obtained Workplace Violence Restraining Orders as needed to protect City employees while at work and ensure a safe working environment free of outside violence.
- Collaborated with the Community Development Department on the comprehensive update to the General Plan, the community's vision for the growth and development.
- Prepared and released updated contractual templates and assist departments in implementation.

CITY MANAGER'S OFFICE

- Developed a budget that addresses the City's long-term financial obligations and priorities.
- Advance Citywide communications by implementing the strategic communications plan enhancing internal and external communication, transition to upgraded audio-visual equipment in the Council Chambers and the control room, introduce on-demand Spanish video captioning and translation (subtitles), and provided extra functionality and features via the redesigned City website.
- Implemented projects funded by one-time American Rescue Plan Act funding, with the objectives of reimbursing costs incurred and revenue lost as a result of the pandemic, investing in projects that can be completed within the required timeline, and increase ongoing revenue or reduce ongoing costs, and strengthen the City's financial position.
- Commenced marketing the Smart City, Safe City campaign and associated Neighborhood Connect program, to raise customer awareness of various technologies and programs prioritized by the City Council, to enhance customer service and to further the City's Smart City Safe City vision.
- Completed an assessment of Risk Management to identify resourcing required to have that function remain cost effective and operationally efficient in a rapidly changing risk environment.
- Supported the Economic Development partnership with the Chamber by employing structured project management approach to Downtown redevelopment and a coalition of support to the regional effort of expanding commercial activity at Vandenberg Space Force Base.
- Streamlined and automated public meeting preparations by leading a collaborative process with departments to clearly identify and define efficient workflows and implement a manual.
- Reviewed and updated personnel policies and procedures, Municipal codes, City Administrative Memos ("CAMs") and create an employee handbook. Established a formalized approval and plan for workforce and succession planning.

FINANCE DEPARTMENT

- Finalized selection of the new Enterprise Resource Planning (ERP) system and awarded a contract to the selected vendor in the multi-year process to update this backbone software, and in alignment with Smart City, Safe City.

- In preparation for the ERP, reviewed City-wide payroll processes, timekeeping and payroll system setup.
- Developer ERP implementation plan within the Finance Department including identification of additional staffing, project location and training needs.
- In preparation for the ERP, evaluated the Chart of Accounts, vendors list, and other system data. Began documenting workflows needed for the project mapping.
- Utilizing the utility billing website and print marketing, provided outreach to customer to increase recurring payment of utility billing customers by an additional five percent over 2022-23 levels.
- Identified efficiencies in utility billing that can be leveraged by ERP implementation, and began clean up of historical data in preparation of mapping to the new system.
- Implemented the update to Tyler Cashiering and ensured that the credit card functionality is fully compatible with cashiering software.
- Researched the feasibility of going paperless for Business Licensing Applications and Renewal Notices, including digital signatures.